

July 13, 2009



Oculus Innovative Sciences Announces Agreement with OroScience, Inc. for Marketing of Microcyn(R)-Based Oral Care Products in U.S., Canadian and European Professional Dental Markets

Products to Include Microcyn Anti-Gingivitis Rinse and Microcyn Oral Mucositis Hydrogel Reflects Oculus' Business Strategy to Broaden Product Offerings, Expand Commercialization, Ramp Revenues and Focus on Profitability

PETALUMA, Calif.--(BUSINESS WIRE)-- Oculus Innovative Sciences, Inc. (Nasdaq:OCLS), a biopharmaceutical company that develops, manufactures and markets a family of products based upon the Microcyn^(R) Technology platform, which is intended to treat infections in chronic and acute wounds, announced today it has entered into an agreement with OroScience, Inc. Under the terms of this agreement, OroScience, Inc. was granted exclusive rights to market Microcyn-based oral products in the U.S., Canada and European professional dental and oral care markets while providing Oculus with a significant percentage of those revenues.

OroScience will support all regulatory, clinical, sales and marketing related to the Microcyn-based professional oral care products with the first product launch anticipated in 2010. The initial products will only require FDA 510(k) clearances. Oculus' R&D team has developed multiple dental-specific formulations of the Microcyn Technology, initially for the prescription market, which can also readily be translated into products for the over-the-counter oral care space.

"We've identified a number of professional dental and oral care product opportunities for the Microcyn Technology, with one Microcyn-based product opportunity having an estimated addressable U.S. market on the order of \$500 million," said Mark Fontenot, ME, MBA, DDS, and CEO of OroScience. "We believe our planned suite of Microcyn-based products will bring significant patient benefit for several important conditions such as oral manifestations of diabetes and oral mucositis, secondary to chemotherapy and/or radiotherapy. Our intent is to utilize our broad reach of national distribution partners to achieve timely and ubiquitous distribution."

While Oculus and OroScience will work in concert to develop the products, Oculus is able to offer these formulations to its current and future partners or distributors outside the geographies covered by the agreement, including China, Mexico, India and select Middle

East countries.

"While Oculus has focused on building market awareness and sales in the global wound care market, we've also talked of the breadth of Microcyn Technology opportunities beyond wound care including dental, animal healthcare, ophthalmology, respiratory infections and others. This agreement with a proven innovator certainly validates both the applicability of Microcyn Technology in the professional dental space as well as the soundness of our strategy to grow through key partnerships," said Hoji Alimi, founder and CEO of Oculus. "The beauty of this dental partnership is that these new oral care revenues will be in addition to \$45 to \$60 million guidance for fiscal year 2013. This new partnership allows us to build even greater value for our shareholders without incurring additional expenses."

About OroScience, Inc.

OroScience is a global oral care life science company providing advanced therapies for accelerated wound healing and treatment of oral diseases. OroScience's innovative new products and technologies are created in collaboration with leading dental professionals striving to provide their patients with optimal solutions for managing their acute and chronic oral conditions. OroScience continues to successfully launch innovative new products that represent fundamental change. Learn more about OroScience by visiting the company web site at www.oroscience.com or calling (866) 921-9603. OroScience, Inc. is a wholly owned subsidiary of OroScience plc.

About Oculus Innovative Sciences

Oculus Innovative Sciences develops, manufactures and markets a family of products based upon the Microcyn^(R) Technology platform, which includes new formulations designed to significantly reduce the need for antibiotics as it reduces infections. The Microcyn Technology platform features a biocompatible, shelf-stable solution that is currently commercialized in the United States, Europe, India, China and Mexico and select Middle East countries. Several solutions derived from this platform have demonstrated, in a variety of research and investigational studies, the ability to treat a wide range of pathogens, including antibiotic-resistant strains of bacteria (including MRSA and VRE), viruses, fungi and spores, increase blood flow to the wound site, reduce both inflammation and pain while assisting in faster wound closure. The company's headquarters are in Petaluma, California, with operations in Europe and Latin America. More information can be found at www.oculusis.com.

Forward-Looking Statements

Except for historical information herein, some matters set forth in this press release are forward-looking within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including statements about the company's commercial and technology progress. These forward-looking statements are identified by the use of words such as "providing," "translated," "occur," "incurring," and "achieve," among others. Forward-looking statements in this press release are subject to certain risks and uncertainties inherent in the Company's business that could cause actual results to vary, including risks inherent in the development and commercialization of potential products, the risk that regulatory clinical and guideline developments may change, the risk that scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or

approvals, the risk that clinical results may not be replicated in actual patient settings, the risk that protection offered by our patents and patent applications may be challenged, invalidated or circumvented by our competitors, the risk that present trends will continue and that the available market for our products will not be as large as expected, the risk that our products will not be able to penetrate one or more targeted markets, the risk that revenues will not be sufficient to fund further development and clinical studies, the Company's future capital needs, and its ability to obtain additional funding, as well as uncertainties relative to varying product formulations and a multitude of diverse regulatory and marketing requirements in different countries and municipalities, and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission including the quarterly report on Form 10-Q for the quarter ended March 31, 2009. Oculus Innovative Sciences disclaims any obligation to update these forward-looking statements.

Oculus and Microcyn Technology are trademarks or registered trademarks of Oculus Innovative Sciences, Inc. All other trademarks and service marks are the property of their respective owners.

Source: Oculus Innovative Sciences, Inc.