

March 10, 2010



Oculus Innovative Sciences Receives First FDA Clearance for Microcyn(R)-Based HydroGel for Dermatology Market with Claims Including Reduction of Itch and Pain Relief

- U.S. Launch Targeted for April 2010
- Product Has Received Medicare Reimbursement

PETALUMA, Calif.--(BUSINESS WIRE)-- Oculus Innovative Sciences, Inc. (Nasdaq: OCLS), a commercial medical technology company that develops, manufactures and markets a family of products based upon the Microcyn^(R) Technology platform, today announced that it has received new 510(k) clearance from the U.S. Food and Drug Administration (FDA) for new dermatology indications for Microcyn^(R) Skin and Wound HydroGel. The Rx product, under the supervision of a healthcare professional, Microcyn Skin and Wound HydroGel is intended for management of wounds including itch and pain relief associated with dermal irritation, sores, injuries and ulcers of dermal tissue.

Microcyn-based products, branded as Microcyn Skin and Wound Care and Microcyn Skin & Wound HydroGel in the United States, Microdacyn60(TM) in Mexico, Dermacyn(TM) Wound Care in Europe and China and Oxum in India, have treated over two million patients worldwide without a single report of a serious adverse effect.

Noridian Administrative Services LLC, which is the pricing, data analysis and coding contractor for the Medicare program, has assigned Medicare HCPCS code #A6248 to the Microcyn HydroGel.

"We are especially excited to receive our first FDA clearance for the Microcyn HydroGel for dermatology indications including the reduction of itch and pain relief for troublesome skin afflictions," said Hoji Alimi, founder and CEO of Oculus.

Microcyn HydroGel for dermatology indications will be commercially available in April 2010. Oculus is partnering with a series of independent sales groups in key metropolitan regions with a combined thirty-six person commissioned-based sales team experienced in dermatology, which will focus on the dermatology market including cosmetic and plastic surgeons, pediatricians, aesthetic clinics and dermatologists. For more information, pricing or pre-ordering, please telephone 1-800-931-3205.

According to a report from Business Insights, in terms of size, the United States market dominates the global dermatology market, responsible for some 41.2% of sales or \$4.6

billion in 2005.

About Oculus Innovative Sciences

Oculus Innovative Sciences is a commercial medical technology company that designs, produces and markets safe and effective tissue care products based upon the Microcyn^(R) Technology platform, which significantly reduces the need for antibiotics while reducing infections and accelerating healing. The Microcyn Technology addresses the need for improved solutions in multiple markets including dermatology, oral care, cosmeceutical, wound care and others. It features a biocompatible, shelf-stable solution that is currently commercialized in the United States, Europe, India, China and Mexico and select Middle East countries under various country specific regulatory clearances and approvals. 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, and reduce both inflammation and pain while assisting in faster wound closure. The company's headquarters are in Petaluma, California, with operations in Latin America. More information can be found at www.oculusis.com.

Forward-Looking Statements

Except for historical information herein, 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 and future financial performance. These forward-looking statements are identified by the use of words such as "intended" and "will be," 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 such risks that regulatory clinical and guideline developments may change, scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or approvals, clinical results may not be replicated in actual patient settings, protection offered by the Company's patents and patent applications may be challenged, invalidated or circumvented by its competitors, the available market for the Company's products will not be as large as expected, the Company's products will not be able to penetrate one or more targeted markets, revenues will not be sufficient to fund further development and clinical studies, the Company may not meet its 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 annual report on Form 10-K for the year ended March 31, 2009. Oculus Innovative Sciences disclaims any obligation to update these forward-looking statements except as required by law.

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