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OCULUS INNOVATIVE SCIENCES CLOSES SERIES "A" ROUND OF FINANCING FOR \$8 MILLION

Company continues rapid expansion of its global manufacturing sites and develops global research and development labs to support the development of its new medical technologies.

PETALUMA, CA-- (May 1, 2004)— Hoji Alimi, CEO and founder of Oculus Innovative Sciences (www.oculusis.com), today announced the company closed its Series "A" round of financing in March 2003, led by Brookstreet Securities. The offering was originally for a maximum of \$6 million. Due to the high level of interest by investors, the company increased the offering and an additional \$2 million was raised for a total of \$8 million.

The company's revolutionary Microcyn™ technology has received a great deal of attention within the drug and disinfectant markets. For the first time, Microcyn technology provides a sterilant that can be used on patients during surgery, while also serving as a wound-healing application on persistent ulcers and as a disinfectant on hard surfaces.

The Mexican Ministry of Health approved Microcyn in July of 2003, as a disinfectant and an antiseptic technology in the medical market.

In March 2003, Microcyn also received CE approval under the European Medical Device Directive 93/42/EEC. The newly obtained CE Mark is based on compliance with the recently developed EN 13727 European test for bactericidal efficacy. Under the supervision of the Dutch notified body (TNO), Microcyn is one of the first disinfectants to meet these new, more rigorous standards in Europe.

The company is currently pursuing its EPA and FDA approval for this technology. The company expects its initial U.S. approvals on Microcyn technology in late 2004.

The \$8 million Series A funding is being used to finance the regulatory approval processes as well as

to expand the company's manufacturing, research and development along with marketing efforts in the United States, Mexico and Europe.

"This is an exciting time at Oculus," said Alimi, who founded the company in 1999, "We are truly proud of our team in meeting the challenges of growing a breakthrough technology from inception to worldwide distribution. This spirit of determination will continue to drive both global market expansion and next-generation product development."

About Oculus

Oculus Innovative Sciences, headquartered in Petaluma, California, is pioneering innovative life sciences and disruptive technologies that globally re-define the disinfectant and antiseptic markets. The company has employees and operations in Mexico, Europe and the U.S. and includes two wholly owned subsidiaries, Oculus Technologies of Mexico, S.A. de C.V., and Oculus Innovative Sciences Netherlands B.V. Please visit us at www.oculusis.com.

Forward-Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. These forward-looking statements relate to, among other things, plans and timing for the introduction of our products, statements about future market conditions, supply and demand conditions, revenues, gross margins, operating expenses, profits and other expectations, intentions and plans contained in this press release that are not historical fact. Our expectations as expressed in this press release depend upon our ability to develop, manufacture and supply products that meet defined specifications. When used in this press release, the words "plan," "expect," "believe," and similar expressions generally identify forward-looking statements. These statements reflect our current expectations. They are subject to a number of risks and uncertainties, including, but not limited to, changes in technology and changes in the health sciences market. In light of the many risks and uncertainties surrounding this market, you should understand that we cannot assure you that the forward-looking statements contained in this press release will be realized.

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