Vuzix Unveils New IWear 720 Video Headphones with VR at 2015 Game Developers Conference (GDC)

Company Joins Open Source VR Alliance to Provide Enhanced Compatibility with Virtual Reality Applications for its IWear 720

ROCHESTER, NY, March 4, 2015 — Vuzix® Corporation (NASDAQ: VUZI) ("Vuzix" or, the "Company"), a leading supplier of video eyewear and smart glasses products in the consumer, commercial and entertainment markets, today announced it will be showcasing its new IWear 720 video headphones running on the OSVR platform at the Game Developers Conference (GDC) at the Moscone Center in San Francisco, CA, March 2-6, 2015. Vuzix is also announcing that it has recently partnered with the Open-Source Virtual Reality (OSVR) alliance, a new standard in VR gaming that provides hardware and software support for compatibility with Vuzix VR products.

"We are thrilled to be attending GDC 2015 and showing off our new IWear 720 video headphones at the world's largest and longest running professionals-only game industry event," said Paul Travers, President and CEO at Vuzix. "The IWear 720 is ready to be the most compatible VR and entertainment headset in the market thanks to supporting connectivity and content on almost any device that support HDMI outputs. The collaboration with OSVR opens this up further and brings an excellent ecosystem that standardizes interfaces between devices and adds VR support for our products from a growing list of exciting new applications. We look forward to meeting with industry experts at GDC to garner more exposure for our brand new IWear 720 video headphones which are ideal for avid gamers."

The Vuzix IWear 720 video headphones are the ultimate mobile video entertainment and gaming system compatible with almost any device supporting HDMI output. And now with integrated motion tracking, OSVR, Unity 3D, and Unreal gaming engine support, a growing list of games and VR title support is now offered. The IWear 720 feature dual HD Displays and revolutionary nano optics that provide the equivalent experience of a 130" home television from 10' and allow the wearer to play games, interact with apps, and watch 2D, 3D and 360° VR movies. IWear 720 is completely portable and battery driven so the user can enjoy it at home or on the go. It supports any HDMI 2D or 3D video sources including PCs, game consoles, smartphones, Blu-ray players, and WiFi wireless dongles for direct Internet connection. The IWear 720 is now also enabled with virtual reality tracking sensors and will have optional 3D augmented reality cameras to provide an exciting AR experience.

Vuzix is also announcing it has joined and partnered with the Open-Source Virtual Reality (OSVR) alliance, a new standard in VR gaming that intends to provide hardware and software support at every level of virtual reality gaming, for compatibility with Vuzix products. OSVR standardizes the interface between input devices, games and output devices. OSVR has over 80 companies partnered, creating hundreds of titles with support. With OSVR, gamers no longer have to worry about compatibility, and can focus on having fun.

About OSVR

OSVR™ is an ecosystem designed to set an open standard for virtual reality input devices, games and output to provide the best possible VR game experience. Supported by industry leaders, the OSVR framework unites developers and gamers alike under a single platform. For the full list of OSVR supporters and more information, go to www.osvr.com

About Vuzix Corporation

Vuzix is a leading supplier of Video Eyewear and Smart Glasses products in the consumer, commercial and entertainment markets.

The Company's products include personal display and wearable computing devices that offer users a portable high quality viewing experience, provide solutions for mobility, wearable displays and virtual and augmented reality. Vuzix holds 39 patents and 12 additional patents pending and numerous IP licenses in the Video Eyewear field. The Company has won Consumer Electronics Show (or CES) awards for innovation for the years 2005 to 2014 and several wireless technology innovation awards among others. Founded in 1997, Vuzix is a public company (NASDAQ: VUZI) with offices in Rochester, NY, Oxford, UK and Tokyo, Japan.

Forward-Looking Statements Disclaimer

Certain statements contained in this news release are "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. Forward looking statements contained in this release related to the IWear 720 video headphones, Game Developers Conference (GDC), OSVR Alliance and future VR title support, among other things, and the Company's leadership in the Video Eyewear and AR display industry. They are generally identified by words such as "believes," "may," "expects," "anticipates," "should" and similar expressions. Readers should not place undue reliance on such forward-looking statements, which are based upon the Company's beliefs and assumptions as of the date of this release. The Company's actual results could differ materially due to risk factors and other items described in more detail in the "Risk Factors" section of the Company's Annual Reports and MD&A filed with the United States Securities and Exchange Commission and applicable Canadian securities regulators (copies of which may be obtained at www.sedar.com or www.sec.gov). Subsequent events and developments may cause these forward-looking statements to change. The Company specifically disclaims any obligation or intention to update or revise these forward-looking statements as a result of changed events or circumstances that occur after the date of this release, except as required by applicable law.

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