



Press Release

Vuzix Wins CES Innovation Award For Augmented Reality See-Through Glasses

LAS VEGAS, NV -- (January 5, 2011) - Vuzix Corporation (TSX-V: [VZX](#), OTC:BB: [VUZI](#)) ("Vuzix" or the "Company") announced today that it has won an Innovation Award at the 2011 Consumer Electronics Show (CES) for its revolutionary see-through Augmented Reality (AR) eyewear. Code named "Rapter", the glasses look and wear like a conventional pair of glasses. However, through a holographic optics engine, the wearer can simultaneously view the real world around them and computer-generated content. Rapter includes a 6-megapixel camera, industry standard VGA and USB interfaces and it utilizes Vuzix patented tracking and connectivity technology. These features enable a wide variety of mobile augmented reality applications, advanced information access and gaming capabilities to be brought to the wearer's experience. Similar to watching a 70-inch flat panel television from a distance of 10-feet Rapter is expected to be the most advanced video eyewear ever delivered. At present, the company has not announced a release date for the product.

Paul J. Travers, Chief Executive Officer, said, "We are very honored to win this Innovation Award, our seventh in a row at CES, among such a competitive field of great inventions. While we have consistently delivered new technology each year to our customers, Rapter represents our most significant break through yet in design and capability that, we believe, will have wide reaching impact on the way we use our computers and mobile devices."

Rapter is the world's first sunglass style Video Eyewear that is designed specifically for the wide variety of Augmented Reality applications that are in development for consumer, commercial, medical, educational, gaming and defense markets. It provides a natural and easy to use interface to applications and it is a very powerful platform that offers a personalized and mobile home-theatre experience that enables digital content to be mixed into a real worldview. Today Rapter is compatible only with devices with VGA and USB interfaces. Future enhancements to the product will include HDMI compatibility and connectivity for mobile devices such as the iPhone and Android phones. Initial markets for Rapter will be commercial and research applications. As enhancements are made to Rapter and as sales volumes increase, the company expects consumer applications to become available.

Mr. Travers continued, "Rapter video eyewear will offer our customers a world changing experience in how they are able to interact with their computers and mobile devices. It will simplify how they use applications like visual search and Google's Street View and it will bring to life digital media in the wearer's real worldview. We see Rapter as an important enabling technology and look forward to the day when AR eyewear becomes a standard for mobile entertainment, games and applications."

Vuzix will have Rapter on display at the 2011 International Consumer Electronics Show, January 6th to 9th and will be demonstrating a number of augmented reality applications. Visit Vuzix at the Las Vegas Convention Center's Central Hall, Booth #11740.

About Vuzix Corporation

Vuzix is a leading supplier of Video Eyewear products in the defense, consumer and media & entertainment markets. The Company's products, personal display devices that offer users a portable high quality viewing experience, provide solutions for mobility, thermal sighting systems, tactical wearable displays, virtual and augmented reality. With its origins in defense research and development for next generation display solutions, Vuzix holds over 51 patents in the Video Eyewear field. The company has won 9 Consumer Electronics Show Innovations Awards, the RetailVision Best New Product and several wireless technology innovation awards, among others. Founded in 1997,

Vuzix is a public company (TSX-V:[VZX](#) - News, OTC:BB: [VUZI](#)) with offices in Rochester, NY, Oxford, UK and Tokyo, Japan. For more information visit www.vuzix.com.

Forward-Looking Statements Disclaimer

Certain statements contained in this 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 relate to, among other things, future product releases, new opportunities, the Company's ability to capitalize on new opportunities and the Company's leadership in the Video Eyewear industry. They are generally identified by words such as "plans," "seeks," "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 from those projected in the Company's forward-looking statements due to, among other things, our ability to raise necessary capital; government regulation of our technologies; our ability to enforce our intellectual property rights and protect our proprietary technologies; the timing of new product launches; delays in product development; and dependence on third parties for certain key components. These risk factors and others are 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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further press information, please contact:

Charlotte Walker, VP Corporation Communications
IR@vuzix.com
75 Town Centre Drive
Rochester, NY USA
Tel: (585) 359-5910