

Vuzix Enters into Agreement with a Global Aerospace Firm to Develop a Customized Commercial Avionics Waveguide-based HMD System

ROCHESTER, NY, September 13, 2018 – [Vuzix® Corporation](#) (NASDAQ: [VUZI](#)), ("Vuzix" or, the "Company"), a leading supplier of Smart Glasses, Augmented Reality (AR) technology and products for the consumer and enterprise markets, is pleased to announce that the Company has signed an agreement with a new global Tier-1 Aerospace firm to build a customized commercial avionics waveguide-based head mounted display (HMD) system.

Under the terms of this agreement, Vuzix and our new customer have embarked on a multi-stage development program with agreed upon milestones and payments. The first stage of this program is for approximately \$250,000 and is expected to be completed this fall. Subject to a final approval and acceptance from the customer of the first phase, Vuzix expects to receive follow-on orders from this customer to finalize the product's development and hard tooling necessary to ultimately deliver commercial volumes of the custom waveguide systems as early as the second of half of 2019 for this customer's commercial avionics solution.

"We are excited to enter into this partnership and believe it represents a strong vote of confidence in our capabilities and recognition of our leading position within the waveguide optics technology space," said Paul Travers, President and Chief Executive Officer at Vuzix. "Additionally, the agreement demonstrates how Vuzix is able to leverage and partner our industry leading optics technology with top tier global partners across a variety of vertical markets including commercial avionics."

About Vuzix Corporation

Vuzix is a leading supplier of Smart-Glasses and Augmented Reality (AR) technologies and products for the consumer and enterprise 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 augmented reality. Vuzix holds 64 patents and 71 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 2018 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, Barcelona, Spain 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 relate to Vuzix business growth with the commercial avionics partner, the success of this program, future orders, and the Company's leadership in the Smart Glasses 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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