

Vuzix Receives Follow-On Order from US Defense Contractor to Further Develop Customized Waveguide-based Optics Engine

ROCHESTER, NY, October 16, 2020 – [Vuzix® Corporation](#) (NASDAQ: [VUZI](#)), ("Vuzix" or, the "Company"), a leading supplier of Smart Glasses and Augmented Reality (AR) technology and products, announced it has received a follow-on order from a major US defense contractor to further develop a customized waveguide-based head worn AR Display Engine. This order represents the second phase of this development effort, which was first announced in March 2020. Phase 2 will generate additional non-recurring engineering (NRE) revenue in the lower six figure range for Vuzix over the coming months, with potentially further NREs in subsequent phases before a possible customer acceptance of a final product design that could lead to an eventual production program.

"We are very pleased with the progress we continue to make with this major US defense contractor as we pursue a production opportunity with them," said Paul Travers, President and CEO of Vuzix. "OEM custom waveguide-based projects such as this represent a profitable vehicle for leveraging our extensive optical expertise and IP and we look forward to announcing further developments with this firm as this project proceeds."

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 179 patents and 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 2020 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. For more information, visit Vuzix [website](#), [Twitter](#) and [Facebook](#) pages.

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 Smart Glasses, our business relationship with the referenced defense contractor, future development work and production opportunities, and among other things 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



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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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