

Press Release

APX Labs Joins Vuzix Industrial Partner (VIP) Program

APX Customers to Receive Preview Access of Vuzix M300 Smart Glasses

ROCHESTER, N.Y., July 25*, 2016 - Vuzix[®] Corporation (NASDAQ: VUZI), a leading supplier of Smart-Glasses, Augmented Reality (AR) and Virtual Reality (VR) technologies and products for the consumer and enterprise markets, is pleased to announce that APX Labs, the developer of the Skylight platform, has joined the Vuzix Industrial Partner (VIP) program. Recently recognized by the World Economic Forum as a 2016 Technology Pioneer for its trailblazing work to empower the connected workforce, APX Labs delivers solutions that drive significant business value by unlocking the power of the industrial workforce. As a Vuzix VIP, APX Labs has received early access to the new Vuzix M300 Smart Glasses to begin showcasing its leading edge capabilities to customers.

This follows the launch earlier this year of Vuzix' Future Proof offer with APX Labs, which allows customers to begin deployments with APX's Skylight and Vuzix M100 Smart Glasses and upgrade to the next generation Vuzix M300 seamlessly when the M300 ships to customers later this year. The M300 represents the next generation of smart glasses, designed to address customer feedback from more than two years of productive use of the M100 in the field. The advanced ergonomic design and feature set of the new M300, combined with the latest release of the Skylight software platform, enables enterprise users to operate in an increasing number of scenarios and realize even more complex use cases, while continuing to use the Vuzix M100 as currently deployed within the same software platform.

"Vuzix's focus on the enterprise customer shines in the M300 Smart Glasses," said Brian Ballard, Chief Executive Officer at APX Labs. "Our Skylight platform has been waiting for the capabilities and flexibility of the M300. It will allow customers to scale their smart glasses deployments faster and see a more immediate return on investment. This really is exciting for us and for the industry at large."

"We are pleased to continue working very closely with APX Labs," said Paul Travers, President and Chief Executive Officer of Vuzix. "Skylight is one of the "best in class" enterprise solutions available and provides a great platform for our M300 to be transformative for industrial businesses across a range of applications."

To learn more about how Vuzix M300 and the APX Skylight platform work together, visit: <https://www.apx-labs.com/vuzix-m300>. To learn more about the M300, or becoming a VIP, please contact Lance Anderson, VP of Enterprise Sales, at lance_anderson@vuzix.com.

About APX Labs

Since 2010, APX Labs has been pioneering the application of wearable technology for the hands-on workforce. APX Labs' Skylight software product leverages wearable devices, like the Vuzix M100 and

soon the M300, integrates with existing business systems, and is used today in a wide range of industrial operations including manufacturing, field service, repair, training, material handling, and compliance. Customers include Boeing, GE, Rio Tinto, ExxonMobil, Jabil, Merck, Shell, Johnson & Johnson, Baker Hughes, Applied Materials and Westinghouse. For additional information, visit www.apx-labs.com.

About Vuzix Corporation

Vuzix is a leading supplier of Smart Glasses, Augmented Reality (AR) and Virtual Reality (VR) 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 virtual and augmented reality. Vuzix holds 40 patents and 23 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 relate to, among other things, and the Company's leadership in the Video Eyewear, VR and AR display industry and our relationship with APX Labs the its potential in the industrial markets. 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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