Press Release



Vuzix Announces New See-Through Augmented Reality Enabled Video Eyewear

ROCHESTER, NY -- (May 18, 2011) - Vuzix Corporation (TSX-V: <u>VZX</u>, OTC:BB: <u>VUZI</u>, FMB: <u>V7X</u>) ("Vuzix" or the "Company") today announced its new STAR (See-Through Augmented Reality) Video Eyewear. The STAR 1200 is a see-through AR-enabled binocular Video Eyewear that is expected to be used in a wide variety of industrial, commercial, defense and some consumer applications. Building from Vuzix' award winning technology in AR-enabled video eyewear, the new display will allow users to view the real world scene while also viewing relevant computer generated information, graphics and alerts. The AR glasses will provide connectivity to VGA, component and composite video sources. The STAR 1200 comes with 6 degrees of freedom (DOF) motion tracking sensors and a built in camera for tracking and recognizing the real world. This allows 3D computer generated content to be locked in place when overlaid within the user's real worldview.

Vuzix will be demonstrating the new STAR 1200 at the Augmented Reality Event, in Santa Clara, California, at the Santa Clara Convention Center, Booth# 114 and also at the 2011 Special Operations Forces Industry Conference (SOFIC), May 17 – 19th in Tampa, Florida at the Tampa Convention Center, Booth# 1345.

The STAR is Vuzix' first see-through AR-enabled Video Eyewear model with a native 16:9 format that offers full color WVGA (852 x 480) support with built in camera and sensors for AR tracking. The see-through displays provide a video viewing experience similar to a 60-inch flat panel television viewed from 10-feet. The STAR 1200 is the world's first high-resolution16:9 widescreen video eyewear on the market today.

Paul J. Travers, Chief Executive Officer, commented, "Building on Vuzix' advances in both its optics and tracking technology, we have been able to deliver affordable AR-enabled see-through head mounted displays to the market sooner than we originally anticipated. This product is what we feel our customers have been waiting for and we expect them to be used for a wide variety of applications."

The STAR is expected to ship in August 2011. The company is offering all advance order customers the current Wrap 920AR Video Eyewear immediately for application development and testing purposes for no additional charge so customers can immediately begin using Vuzix' current Software Developer Kit (SDK) and 3D AR creation tool, MaxReality[™], which is a plug-in for the Autodesk® 3ds Max® design software.

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 and 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:<u>VZX</u> - News, OTC:BB: <u>VUZI</u>, FMB: <u>V7X</u>) with offices in Rochester, NY, Oxford, UK and Tokyo, Japan. For more information visit <u>www.vuzix.com</u>.

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 forwardlooking 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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