



75 Town Centre Dr
Rochester, NY 14623
www.vuzix.com

Press Release

Vuzix Corporation Awarded Contract to Develop Personnel Tracking System for U.S. Army

Rochester, NY (September 23, 2010) – Vuzix Corporation (TSX-V: VZX, US OTC:BB, VUZI) has been awarded a \$643,000 contract through July 2011 from the U.S. Army's Research, Development and Engineering Command (RDECOM) to design a wearable computing system that will allow command units to have precise positioning information on soldiers in areas where a global positioning system (GPS) is not operable. As part of this effort, Vuzix will develop a see through, transmissive display engine upgrade for the TAC-EYE® LT head mounted display, giving commanders an augmented view of the Battlespace.

The upgraded system is expected to provide Operators with a reliable sensor package for use in GPS challenged areas. This is critical because dismounted soldiers frequently operate in GPS-denied or GPS-corrupted environments and very often need to have a very accurate position fix for situational awareness software and systems to work. A typical requirement in the field is for an absolute position to be known to one meter, thus enabling software to help resolve where the soldier (or a sensed threat) is within a building or area.

About Vuzix

Vuzix is a leading manufacturer of Video Eyewear; personal display devices that provide users with portable high quality viewing experiences. Vuzix started in the defense sector with a focus on R&D of next generation display solutions for the US DoD and the Special Operations community, and today is a leading supplier of display products for digital night vision systems, tactical wearable displays and consumer products. Vuzix has 51 patents in the Video Eyewear field and provides solutions for mobile computing, tactical information display, video, virtual and augmented reality, and 3D entertainment. The Company addresses the defense, industrial, consumer and medical markets and has shipped well over 200,000 display solutions since its inception. Vuzix has won multiple CES Innovations Awards, the RetailVision Best New Product award, several wireless technology innovation awards, among others. Founded in 1997, Vuzix recently became a public company listed on the TSX Venture Exchange (TSX-V:[VZX](http://www.vuzix.com) - News) and the US OTC Bulletin Board (OTC:BB, [VUZI](http://www.vuzix.com)) with offices in Rochester, NY, London, UK and Tokyo, Japan. For more information, please 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 may relate to, among other things, future products, product features and applications. 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 the Company's reports filed with the United States Securities and Exchange Commission and applicable Canadian securities regulators. 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.

Press and Investor Contact:

Charlotte Walker, VP Corporate Communications
585-359-5910
IR@vuzix.com

Product Contact:

Steve Glaser, VP of Sales
585-359-7563
Stephen_Glaser@vuzix.com