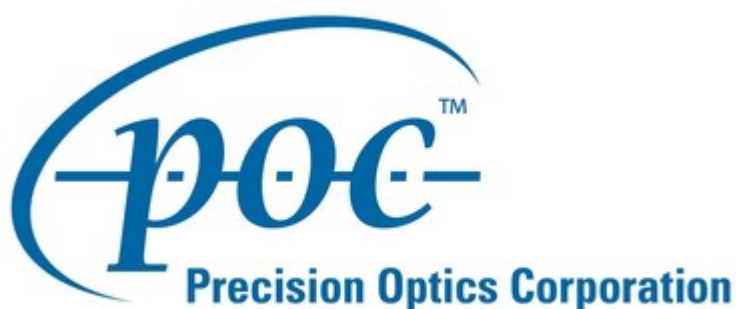


Precision Optics Enters into Production and Technology Licensing Agreement for Single-Use Ophthalmic Program

GARDNER, Mass., Feb. 13, 2023 — Precision Optics Corporation, Inc. (NASDAQ: POCI), a leading designer and manufacturer of advanced optical instruments for the medical and defense industries, today announced it has signed a production and technology license agreement with a large, global medical device company. The licensing agreement arises from a joint product development initiative with this customer over the past four years. The agreement grants the medical device company exclusive rights for an agreed period of time to certain POC intellectual property, within a defined and limited field of use in the ophthalmic industry. The agreement sets terms under which POC will manufacture the product or receive royalties if the product is manufactured by the customer or a third-party. Under the agreement, POC has received a one-time upfront payment of \$600,000 for these technology rights.



Initial production of this product is expected to occur at POC's facilities in late-2023. The customer has the right to transfer production to one of their facilities or to a third-party manufacturer, in which case POC would assist in such transfer and would be paid royalties for a period of time on all product manufactured at a non-POC facility.

"This agreement to leverage our intellectual property and know-how surrounding single-use disposable medical devices adds a new dimension to Precision Optics' business strategy and growth outlook," commented Dr. Joe Forkey, CEO of Precision Optics. "We expect that in the long run, royalties from programs such as this will help to continue our recent trend of improving overall profitability. Today's announcement is the result of many years of discussion and partnership with our customer, and we believe it represents a business approach to satisfying the unique economics required for single-use applications. We look forward to advancing this and other single-use programs in the years to come."

About Precision Optics Corporation

Founded in 1982, Precision Optics is a vertically integrated optics company primarily focused on leveraging its proprietary micro-optics and 3D imaging technologies to the healthcare and defense/aerospace industries by providing services ranging from new product concept through mass manufacture. Utilizing its leading-edge in-house design, prototype, regulatory and fabrication capabilities as well as its Lighthouse Imaging division's electronic imaging expertise and its Ross Optical division's high volume world-wide sourcing, inspecting and production resources, the Company is able to design and manufacture next-generation product solutions to the most challenging customer requirements. Within healthcare, Precision Optics enables next generation medical device companies around the world to meet the increasing demands of the surgical community who require more enhanced and smaller imaging systems for minimally invasive surgery as well as 3D endoscopy systems to support the rapid proliferation of surgical robotic systems. In addition to these next generation applications, Precision Optics has supplied top tier medical device companies a wide variety of optical products for decades, including complex endocouplers and specialized endoscopes. The Company is also leveraging its technical proficiency in micro-optics to enable leading edge defense/aerospace applications which require the highest quality standards and the optimization of size, weight and power. For more information, please visit www.poci.com.

About Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements include, but are not limited to, statements which express the Company's intentions, beliefs, expectations, strategies, predictions or any other statements related to the Company's future activities or future events or conditions. These statements are based on current expectations, estimates and projections about the Company's business based, in part, on assumptions made by the Company's management. These statements are not guarantees of future performances and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those risks discussed in the Company's annual report on Form 10-K and in other documents we file from time to time with the SEC. Any forward-looking statements speak only as of the date on which they are made, and the Company does not undertake any obligation to update any forward-looking statement, except as required by law.

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