

July 8, 2015

Oculus Innovative Sciences (Nasdaq/OCLS/Buy/\$1.50)

Amedica (Nasdaq/AMDA/Not Rated/\$0.56)

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1) Oculus Innovative Sciences (Nasdaq/OCLS/Buy/\$1.50) – Oculus announced this morning that the Company has received a new US patent for the use of its proprietary Microcyn Technology hypochlorous acid in the treatment and mitigation of atopic dermatitis. This new patent is expected to provide Oculus market exclusivity for the use of hypochlorous acid in the treatment of atopic dermatitis until the year 2027. The Company's intellectual property portfolio now includes 44 issued and allowed patents (9 in the US and 35 international) and 82 pending applications, both foreign and domestic. Most recently, Oculus received 510(k) clearance from the US FDA for its Alevicyn SG Antipruritic Spray Gel for the treatment of atopic dermatitis, and the Company expects to launch both prescription and over-the-counter formulations of this product this month through its newly-formed internal dermatology sales force, addressing what is believed will be a \$580 million market in the US by 2016. We currently rate OCLS shares a Buy with a 12-18 month price target of \$7.50. **RMW**

2) Amedica (Nasdaq/AMDA/Not Rated/\$0.56) – Amedica announced this morning that the Company has submitted its responses to the US FDA related to earlier inquiries regarding Amedica's cervical composite silicon nitride interbody device, or Valeo C CsC. Amedica earlier submitted an application for 510(k) clearance of its Valeo C CsC device in Q1/2015, and subsequently received a list of questions from the FDA and underwent a surveillance audit from the agency. Amedica's response re-starts the clock for the 510(k) approval, and Company management further stated that they remain hopeful for a final response from the FDA during Q3/2015. Valeo C CsC is already cleared and marketed in Europe. In addition, Amedica stated that the Company has received constructive feedback from the FDA regarding its wear-testing femoral head products, and now has a clearer understanding of the regulatory protocol and pathway needed for marketing approval for this potential new product, and will begin a direct head-to-head comparative study later this year with its silicon nitride-based femoral heads versus those employing other materials. AMDA shares are currently not rated. **RMW**

Morning Notes provide current information we believe might be noteworthy to investors regarding the subject companies. Morning Notes are not intended to be complete research reports. More detailed information concerning the rated companies referenced in this Note, including the full reports, basis for price targets and other disclosures, may be found at:

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- 2) **Neutral:** the analyst believes the price of the stock is fairly valued for the next 12-18 months;
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Ratings Distribution	Company Coverage		Investment Banking	
	# of Companies	% of Total	# of Companies	% of Totals
Market Outperform (Buy)	18	75%	12	67%
Market Perform (Neutral)	6	25%	4	67%
Market Underperform (Sell)	0	0%	0	0%
Total	24	100%	16	67%

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