



PRECISION OPTICS CORPORATION

22 EAST BROADWAY
GARDNER, MASSACHUSETTS 01440-3338
Telephone 978 / 630-1800
Telefax 978 / 630-1487

NEWS RELEASE

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FOR IMMEDIATE RELEASE

Tuesday, November 29, 2016

Precision Optics Corporation, Inc. Raises \$800,000 in Private Placement

GARDNER, MA, November 29, 2016. Precision Optics Corporation, Inc. (OTCQB: PEYE) (the "Company") announced today that it has sold units of stock and warrants to accredited investors in a private placement with 1,333,334 units consisting of (i) an aggregate of 1,333,334 shares of common stock, and (ii) warrants to purchase up to 666,667 shares of common stock. The unit price is \$0.60. The warrant exercise price is variable and depends on achieving two financial performance criteria during the remainder of fiscal year 2017. The warrant exercise price will be \$.40, \$.20 or \$.01 if both, one or neither of the criteria is achieved, respectively. The warrants are exercisable beginning October 2, 2017 and expire on October 16, 2017.

The Company has received \$800,000 in gross proceeds from the offering. The offering closed on November 22, 2016. Net proceeds from the offering will be used for working capital needs and for general corporate purposes.

Joe Forkey, Company President and CEO, commented, "We are pleased to have completed this offering with the ongoing support of Dolphin Offshore Partners, who acted as the lead investor of the offering, and other existing shareholders including Peter Woodward, through MHW Partners and Hershey Strategic Capital. This capital will allow us to continue our corporate growth efforts particularly in the areas of increased customer activity and conversion of certain engineering projects into production in the coming months. We expect conversion of these projects to increase our manufacturing revenues, plant utilization, and overall margins. We are also pleased with the stock and warrant structure of this offering. The variable exercise price and near term maturity of the warrants is recognition of the opportunities for growth that lie just ahead for Precision Optics."

This press release is neither an offer to sell, nor a solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

About Precision Optics Corporation

Precision Optics Corporation has been a leading developer and manufacturer of advanced optical instruments since 1982. Using proprietary optical technologies, the Company designs and produces next generation medical instruments, Microprecision™ micro-optics with characteristic dimensions less than 1 millimeter, and other advanced optical systems for a broad range of customers including some of the largest global medical device companies. The Company's innovative medical instrumentation line includes state-of-the-art endoscopes and endocouplers as well as custom illumination and imaging products for use in minimally invasive surgical procedures. The Company believes that current advances in its proprietary micro-optics and 3D imaging technologies present significant opportunities for expanding applications to numerous potential medical products and procedures. The Company's website is www.poci.com. Investors can find Real-Time Quotes and market information for the Company on <http://www.otcmarkets.com/stock/PEYE/quote>.

About Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements include, but are not limited to, statements that 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 that 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 to reflect events or circumstances after the date of this report, except as required by law.

Company Contact:

PRECISION OPTICS CORPORATION
22 East Broadway
Gardner, Massachusetts 01440-3338
Telephone: 978-630-1800

Investor Contact:

Kirin M. Smith, Chief Operating Officer
PCG Advisory Group
D: 646.863.6519
E: Ksmith@PCGAdvisory.com
www.pcgadvisory.com