



IRVINE SENSORS CORPORATION NEWS RELEASE

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FOR IMMEDIATE RELEASE

**IRVINE SENSORS' STOCKHOLDERS APPROVE ALL PROXY PROPOSALS
Full Consolidation of Optex Systems, Inc. Enabled**

COSTA MESA, CALIFORNIA – June 29, 2006 -- Irvine Sensors Corporation (Nasdaq: IRSN, Boston Stock Exchange: ISC) announced today that its stockholders have approved all proposals which were submitted for vote at its Annual Stockholder's Meeting held yesterday afternoon in Costa Mesa, California.

In addition to such matters as election of directors, ratification of auditors and approval of an equity incentive plan, stockholders approved a number of proposals related to Irvine Sensors' December 2005 acquisition of Optex Systems, Inc. The acquisition initially only involved purchase of 70% of the outstanding common stock of Optex, due to Nasdaq Marketplace Rules that required stockholder approval for issuance of a negotiated 2,692,308 shares of Irvine Sensors' common stock to purchase the remaining 30% of Optex. That stockholder approval was received yesterday. This action will permit Irvine Sensors to fully consolidate Optex's results for both financial and tax reporting purposes. Stockholders also approved various other proposals involving the issuance of Irvine Sensors common stock to satisfy financing and consulting expense obligations incurred in connection with the Optex acquisition.

Irvine Sensors Corporation (www.irvine-sensors.com), headquartered in Costa Mesa, California, is a vision systems company engaged in the development and sale of miniaturized infrared and electro-optical cameras, image processors and stacked chip assemblies, the manufacture and sale of optical systems and equipment for military applications through its Optex subsidiary and research and development related to high density electronics, miniaturized sensors, optical interconnection technology, high speed network security, image processing and low-power analog and mixed-signal integrated circuits for diverse systems applications.