NEWS RELEASE

Parametric Sound Reports Third Quarter Results

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PARAMETRIC SOUND ANNOUNCES THIRD QUARTER RESULTS

SAN DIEGO, California, August 9, 2012 – Parametric Sound Corporation (Nasdaq: PAMT), a leading innovator of audio products and solutions, today announced financial results for its third fiscal 2012 quarter ended June 30, 2012.

During the third fiscal quarter of 2012, the Company launched its licensing strategy to commercialize HyperSound™ directed audio IP across a wide range of consumer products. The Company believes it has made important progress executing its licensing strategy. Recent highlights:

- Continued success in achieving positive visibility at targeted licensing partners.
- Signing its first licensing agreement, which was with Epsilon Electronics.
- Expanding and strengthening the Company's domestic and international patent portfolio.
- Growing the business development and engineering teams to support licensing efforts.
- Completing a public offering in March and April, providing net proceeds of $8.0 million.

"During this past quarter, we made significant progress in building the infrastructure we believe is required to aggressively pursue opportunities," said Kenneth F. Potashner, executive chairman. "The demonstrable appeal of HyperSound has allowed us to quickly generate interest from global consumer electronics companies. Completing

our first licensing agreement marks a significant milestone and we are encouraged by the early response from other industry leaders."

Q3 2012 Financial Summary:

Product revenues were $34,392 for the third quarter ended June 30, 2012, and $158,867 for the nine months ended June 30, 2012. There were no comparable revenues in the prior periods as the Company's new digital signage products were under development at that time. The Company is working with customers to customize digital signage solutions, install and test pilot sites targeting larger unit orders from end users and their integrators.

Gross profit margin was $15,863, or 46 percent of revenue, for the third quarter ended June 30, 2012, and was $88,271, or 56 percent of revenue, for the nine months ended June 30, 2012. Margin for the nine months was positively impacted from usage of parts valued at $9,915 that had inventory obsolescence and excess parts allowances recorded in prior years.

Selling, general and administrative expenses for the three months ended June 30, 2012 were $1,325,857,

including non-cash share-based compensation expenses of $777,434. This compares to $146,867, including $24,682 of non-cash share-based compensation expenses, during the comparable prior-year period ended June 30, 2011. Selling, general and administrative expenses for the nine months ended June 30, 2012 were $2,390,455, including non-cash share-based compensation expenses of $1,214,023. This compares to $424,202, including $67,881 of non-cash share-based compensation expenses, during the comparable prior year period ended June 30, 2011. Increases in these expenses were driven primarily by the acceleration of the Company's licensing strategy including increased personnel costs, professional fees related to licensing activities and increased public company costs as a result of the secondary offering and a March 2012 Nasdaq listing.

Research and development expenses for the three months ended June 30, 2012 were $404,413, compared to

$182,015 for the comparable period ended June 30, 2011. These research and development expenses included non-cash share based compensation expenses of $71,591 and $30,654, respectively. Research and development expenses for the nine months ended June 30, 2012 were $902,621, compared to $460,793 for the nine-month period ended June 30, 2011. These research and development expenses included non-cash share-based compensation expenses of $194,853 and $77,770 for the three and nine-month periods ended June 30, 2012, respectively. Increased research and development expenses resulted primarily from increase staffing and prototype and testing costs.

The net loss for the three months ended June 30, 2012, and 2011 was $1,707,488 (($0.27) per basic and diluted common share) and $484,768 (($0.14) per basic and diluted common share), respectively. The most recent period loss included $849,025 of non-cash share-based compensation expenses compared to $55,336 for the prior year's third quarter. The net loss for the nine months ended June 30, 2012 and 2011 was $3,199,802 (($0.66) per basic and diluted common share) and $1,186,021 (($0.37) per basic and diluted common share), respectively. The most recent nine-month period loss included $1,408,876 of non-cash share-based compensation expenses compared to $145,651 for the prior year's first nine months.

At June 30, 2012 the Company reported cash of $6.5 million compared to $0.5 million at September 30, 2011. The Company had working capital of $6.7 million and no long-term debt at June 30, 2012.

The Company said that it plans to regularly hold earnings conference calls to review financial results commencing when it reports its fiscal fourth quarter results.

Cautionary note on forward-looking statements

This press release includes forward-looking information and statements. Except for historical information contained in this release, statements in this release may constitute forward-looking statements regarding assumptions, projections, expectations, targets, intentions or beliefs about future events that are based on management's belief, as well as assumptions made by, and information currently available to, management. While the Company believes that its expectations are based upon reasonable assumptions, there can be no assurances that its goals and strategy will be realized. Numerous factors, including risks and uncertainties, may affect actual results and may cause results to differ materially from those expressed in forward-looking statements made by the Company or on its behalf. Some of these factors include the acceptance of existing and future products, the impact of competitive products and pricing, general business and economic conditions, and other factors detailed in the Company's Annual Report on Form 10-K and other periodic reports filed with the SEC. Except as required by law, the Company specifically disclaims any obligation to update or revise any forward-looking statement whether as a result of new information, future developments or otherwise.