

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A INFORMATION

**PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12

ADVANSOURCE BIOMATERIALS CORPORATION

(Name of Registrant as Specified in its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14(a)-6(i)(1) and 0-11:
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transactions computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
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- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:

ADVANSOURCE BIOMATERIALS CORPORATION

229 Andover Street
Wilmington, MA 01887
www.advbiomaterials.com
info@advbiomaterials.com

September 2, 2009

To the Stockholders of AdvanSource Biomaterials Corporation:

AdvanSource Biomaterials Corporation (the “Company”) is pleased to send you the enclosed notice of the Annual Meeting of Stockholders (the “Meeting”) to be held Wednesday, October 14, 2009, at 10:00 a.m. (EST) at the offices of Seyfarth Shaw LLP located at Two Seaport Lane, Suite 300, Boston, MA 02210, for the following purposes:

- (1) To elect two (2) Class I Directors to hold office until their successors shall be elected and shall have qualified; and
- (2) To ratify the selection of Caturano and Company, P.C. as the Company’s independent registered public accounting firm for the fiscal year ending March 31, 2010.

Please review the Company’s Proxy Statement and Annual Report on Form 10-K carefully. If you have any questions regarding these materials, please do not hesitate to call me at (978) 657-0075.

Sincerely yours,



Michael F. Adams
President and Chief Executive Officer
AdvanSource Biomaterials Corporation

WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING PLEASE VOTE BY COMPLETING AND SIGNING A PROXY CARD AND RETURNING IT PROMPTLY TO THE COMPANY, BY TELEPHONE AT 800-690-6903 OR BY INTERNET AT WWW.PROXYVOTE.COM, IN ORDER TO ASSURE REPRESENTATION OF YOUR SHARES AT THE MEETING.

ADVANSOURCE BIOMATERIALS CORPORATION

229 Andover Street
Wilmington, MA 01887

NOTICE OF 2009 ANNUAL MEETING OF STOCKHOLDERS

To Be Held on October 14, 2009

The Annual Meeting of Stockholders (the "Meeting") of AdvanSource Biomaterials Corporation (the "Company") will be held Wednesday, October 14, 2009, at 10:00 a.m. (EST) at the offices of Seyfarth Shaw LLP located at Two Seaport Lane, Suite 300, Boston, MA 02210, for the following purposes:

- (1) To elect two (2) Class I Directors to hold office until their successors shall be elected and shall have qualified; and
- (2) To ratify the selection of Caturano and Company, P.C. as the Company's independent registered public accounting firm for the fiscal year ending March 31, 2010.

The Board has fixed the close of business on August 18, 2009 as the record date (the "Record Date") for the determination of stockholders entitled to notice of, and to vote and act at, the Meeting and only stockholders of record at the close of business on the Record Date are entitled to notice of, and to vote and act at, the Meeting.

For a period of ten (10) days prior to the Meeting, a stockholders list will be kept at the Company's office and shall be available for inspection by stockholders during usual business hours. A stockholders list will also be available for inspection at the Meeting.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on October 14, 2009:

- **This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. We encourage you to access and review all of the important information contained in the proxy materials before voting.**
- **The Proxy Statement, including a form of Proxy Card, and the Company's Annual Report on Form 10-K for the year ended March 31, 2009 are available through www.proxyvote.com.**
- **If you want to receive a paper or e-mail copy of these documents, you must request one. There is no charge to you for requesting a copy. Please make your request for a copy as instructed below on or before October 1, 2009 to facilitate timely delivery:**
 - **By Internet at www.proxyvote.com.**
 - **By telephone at 800-579-1639; or**
 - **By e-mail at sendmaterial@proxyvote.com.**

Stockholders are cordially invited to attend the Meeting in person. However, please vote by completing and signing a proxy card and returning it promptly to the Company; by telephone at 800-690-6903; or by internet at www.proxyvote.com. If you choose, you may still vote in person at the Meeting even though you previously voted by submitting a proxy card, by telephone or internet.

By Order of the Board of Directors,



Michael F. Adams, *Secretary*

Wilmington, Massachusetts
September 2, 2009

ADVANSOURCE BIOMATERIALS CORPORATION

229 Andover Street
Wilmington, Massachusetts 01887
(978) 657-0075

PROXY STATEMENT

For the 2009 Annual Meeting of Stockholders to be Held on October 14, 2009

GENERAL MATTERS

This proxy is solicited by the Board of Directors (the “Board”) of AdvanSource Biomaterials Corporation (the “Company” or “AdvanSource”), a Delaware corporation, for use at the 2009 Annual Meeting of Stockholders (the “Annual Meeting”) to be held at the offices of Seyfarth Shaw LLP at Two Seaport Lane, Suite 300, Boston, MA 02210 on Wednesday, October 14, 2009, at 10:00 a.m., local time, and at any adjournments or postponements of that meeting.

Shares represented by a properly executed and delivered proxy will be voted at the Annual Meeting and, when instructions have been given by the stockholder, will be voted in accordance with those instructions. If no instructions are given in a properly executed proxy, the shares shall be voted in favor of all of the matters set forth in our Notice of 2009 Annual Meeting of Stockholders.

Our Notice of 2009 Annual Meeting of Stockholders, this Proxy Statement, a form of Proxy Card, and our Annual Report on Form 10-K for the year ended March 31, 2009 are available at www.advbiomaterials.com/annual_report.html. You may also request copies of these materials by telephone at 800-579-1639 or by e-mail at sendmaterial@proxyvote.com.

Quorum and Vote Requirement

On August 18, 2009, the record date for the determination of stockholders entitled to notice and to vote at the Annual Meeting (the “Record Date”), there were issued and outstanding and entitled to vote an aggregate of 21,205,399 shares of common stock of AdvanSource, \$0.001 par value per share (“Common Stock”). Each share of Common Stock is entitled to one vote.

Stockholder votes will be tabulated by the persons appointed by the Board of Directors to act as inspectors of election for the Annual Meeting. The holders of a majority of the shares of Common Stock issued and outstanding and entitled to vote on each matter presented at the Annual Meeting shall constitute a quorum for such matter. Shares of Common Stock present in person or represented by proxy will be counted for purposes of determining whether a quorum exists for a matter presented at the Annual Meeting. Shares that abstain from voting as to a particular matter, and broker non-votes will each be counted as present for purposes of determining whether a quorum is present at the Meeting. A broker non-vote occurs when a broker submits a proxy card with respect to shares of Common Stock held in a fiduciary capacity (typically referred to as being held in “street name”), but declines to vote on a particular matter because the broker has not received voting instructions from the beneficial owner.

The affirmative vote of holders of a plurality of votes cast by stockholders entitled to vote is required for the election of directors. The affirmative vote of the holders of a majority of the votes cast by stockholders present in person or by proxy and entitled to vote is required for the ratification of Caturano and Company, P.C. as our independent registered public accounting firm.

Abstentions will have no effect on the outcome of the election of directors, but will be counted as a vote AGAINST the ratification of Caturano and Company, P.C. as our independent registered public accounting firm for the fiscal year ending March 31, 2010. Broker non-votes will have no effect on the outcome of the election of directors or the ratification of Caturano and Company, P.C. as our independent registered public accounting firm. Under Rule 577 of the NYSE Amex, which governs brokers who are voting with respect to shares held in street name, a broker may have the discretion to vote such shares on routine matters, such as the election of directors and the ratification of independent registered public accountants, and other matters that do not involve a merger, consolidation or any matter which may affect substantially the rights or privileges of stockholders. Accordingly, brokers will have the discretion to vote a proxy without instructions from the record holder for both of the proposals to be voted on at the Meeting.

Solicitation of Proxies

All costs of solicitation of proxies will be borne by AdvanSource. In addition to solicitations by mail, AdvanSource's directors, officers and regular employees, without additional remuneration, may solicit proxies by telephone, telegraph and personal interviews and AdvanSource reserves the right to retain outside agencies for the purpose of soliciting proxies. Brokers, custodians and fiduciaries will be requested to forward proxy soliciting material to the owners of stock held in their names, and AdvanSource will reimburse them for their reasonable out-of-pocket expenses incurred in connection with the distribution of proxy materials.

Householding

Some banks, brokers and other nominee record holders may be participating in the practice of "householding" proxy statements and annual reports. This means that only one copy of our Notice of 2009 Annual Meeting of Stockholders may have been sent to multiple stockholders in the same household. We will promptly deliver a separate copy of our Notice of 2009 Annual Meeting of Stockholders, the Proxy Statement, the form of Proxy Card and our Annual Report on Form 10-K for the year ended March 31, 2009 to any stockholder upon request by writing or calling us at the following address or phone number: AdvanSource Biomaterials Corporation, 229 Andover Street, Wilmington, MA 01887, Attention: Investor Relations or by calling (978) 657-0075. Any stockholder who wants to receive separate copies of the annual report and proxy statement in the future, or who is currently receiving multiple copies and would like to receive only one copy for his or her household, should contact his or her bank, broker or other nominee record holder, or contact us at the above address and phone number.

Revoking a Previously Delivered Proxy

A proxy that is properly submitted may be revoked at any time before it is exercised. For a stockholder "of record," meaning one whose shares are registered in his or her own name, to revoke a proxy, the stockholder may either: (i) send another signed proxy card with a later date to the address indicated on the proxy card; (ii) send a letter revoking the stockholder's proxy to our Secretary at our principal address; (iii) cast his vote by telephone or internet; or (iv) attend the Annual Meeting and vote in person.

A "beneficial holder" whose shares are registered in another name, for example in "street name," must follow the procedures required by the holder of record, which is usually a brokerage firm or bank, to revoke a proxy. You should contact the holder of record directly for more information on these procedures.

Voting in Person

Stockholders of record that attend the Annual Meeting and wish to vote in person will be given a ballot at the meeting. If your shares are held in "street name," or are otherwise not registered in your name, you will need to obtain a "legal proxy" from the holder of record and present it at the meeting.

Cumulative Voting

The holders of shares of our Common Stock are not entitled to any cumulative voting under Delaware law.

Appraisal Rights

Under Delaware law, the holders of shares of our common stock will not have appraisal or similar rights in connection with any proposal set forth in this proxy statement.

PROPOSAL 1
ELECTION OF DIRECTORS

Pursuant to Section 141(d) of the Delaware General Corporation Law and Section A of the Fifth Article of our Charter, the Board is currently divided into three (3) classes having staggered terms of three (3) years each. Under Article III, Section 1 of our By-laws, the Board may determine the total number of directors and the number of directors to be elected at any annual meeting or special meeting in lieu thereof. The Board has fixed at two (2) the number of Class I Directors to be elected at the Meeting. At the Meeting, the stockholders will be asked to elect Mr. Michael F. Adams and Dr. Anthony J. Armini as Class I Directors to serve in such capacity until the 2012 Annual Meeting or until his successor is duly elected and qualified.

The affirmative vote of holders of a plurality of votes cast by stockholders entitled to vote is required for the election of directors. Abstentions and broker non-votes will have no effect on the outcome of the election of directors. It is the intention of the persons named in the enclosed proxy to vote to elect the nominees named above, who are incumbent directors and have consented to serve if elected.

Board Recommendation

The Board believes the election of Michael F. Adams and Dr. Anthony J. Armini as our Class I Directors for the ensuing three (3) years is in our best interests and those of our stockholders and recommends a vote FOR such nominees.

Our Nominees and Directors are as follows:

<u>Name</u>	<u>Age</u>	<u>Class</u>	<u>Position</u>
Michael F. Adams	53	I	Nominee for Director President & Chief Executive Officer*
William O'Neill, Jr.	67	II	Director Chairman of the Board
Anthony J. Armini, Ph.D.	71	I	Nominee for Director*
Michael L. Barretti	64	II	Director
Jeremiah E. Dorsey	64	III	Director

* Nominee for election as a director at this Meeting.

There are no family relationships between any director, executive officer, or person nominated or chosen to become a director or executive officer.

Nominees for Election of Class I Directors Whose Terms Expire at the 2012 Annual Meeting

Mr. Michael F. Adams has been our director since May 1999. Mr. Adams was appointed as our President & Chief Executive Officer on August 7, 2006. From April 1, 2006 until August 7, 2006, Mr. Adams was our Vice President of Regulatory Affairs and Business Development. Prior to April 2006, Mr. Adams was the Vice President of PLC Systems, Inc. Prior to joining PLC Systems in September 2000, Mr. Adams was Vice President of Assurance Medical, Inc. Prior to joining Assurance Medical in June 1999, Mr. Adams was the Chief Operating Officer and Vice President of Regulatory Affairs and Quality Assurance of CardioTech from June 1998 to May 1999. From November 1994 through June 1998, Mr. Adams served as the Vice President of Cytoc Corporation. Mr. Adams received a BS from the University of Massachusetts.

Dr. Anthony J. Armini has been our director since August 2000. Dr. Armini was the President, Chief Executive Officer, and Chairman of the Board of Directors of Implant Science Corporation from 1984 through 2007. From 1972 to 1984, prior to founding Implant Sciences, Dr. Armini was Executive Vice President at Spire Corporation. From 1967 to 1972, Dr. Armini was a Senior Scientist at McDonnell Douglas Corporation. Dr. Armini received his Ph.D. in nuclear physics from the University of California, Los Angeles in 1967. Dr. Armini is the author of eleven patents, fifteen patents pending and fourteen publications in the field of implant technology. Dr. Armini has over thirty years of experience working with cyclotrons and linear accelerators, the production and characterization of radioisotopes, and fifteen years experience with ion implantation in the medical and semiconductor fields.

Directors Continuing in Office

The following individuals are continuing directors and are not standing for election this year:

Continuing Class II Directors Whose Terms Expire at the 2010 Annual Meeting

Mr. William J. O'Neill, Jr. has been our director since May 2004 and was appointed as Chairman on August 7, 2006. Mr. O'Neill is currently the Dean of the Frank Sawyer School of Management at Suffolk University in Boston, Massachusetts. Prior to this appointment, Mr. O'Neill spent thirty years (1969-1999) with the Polaroid Corporation, where he held the positions of Executive Vice President of the Corporation, President of Corporate Business Development, and Chief Financial Officer. He was also Senior Financial Analyst at Ford Motor Company. Mr. O'Neill was a Trustee at the Dana Farber Cancer Institute, and is currently a member of the Massachusetts Bar Association, a member of the Board of Directors of the Greater Boston Chamber of Commerce, and serves on the Board of Directors of Concord Camera and EDGAR Online, Inc.. He earned a BA at Boston College in mathematics, a MBA in finance from Wayne State University, and a JD from Suffolk University Law School.

Mr. Michael L. Barretti has been our director since January 1998. Mr. Barretti is the executive in residence and professor of marketing at Suffolk University in Boston. Mr. Barretti has been the President of Cool Laser Optics, Inc., a company which commercializes optical technology specific to the medical laser industry, since July 1996. From September 1994 to July 1996, Mr. Barretti was Vice President of Marketing for Cynosure, Inc., a manufacturer of medical and scientific lasers. From June 1987 to September 1994, Mr. Barretti was a principal and served as Chief Executive Officer of NorthFleet Management Group, a marketing management firm serving the international medical device industry. From January 1991 to May 1994, Mr. Barretti also acted as President of Derma-Lase, Inc., the U.S. subsidiary of a Glasgow, Scotland supplier of solid-state laser technologies to the medical field. Mr. Barretti received his BA from St. Johns University and an MBA from Suffolk University.

Continuing Class III Director Whose Term Expires at the 2011 Annual Meeting

Mr. Jeremiah E. Dorsey has been our director since May, 2004. Mr. Dorsey retired in 2002. From 1992 to 2002, Mr. Dorsey was President and Chief Operating Officer of The West Company (Lionville, PA), a leading supplier of components to the pharmaceutical, medical device and dental businesses. From 1990 to 1992, Mr. Dorsey was President and Chief Executive Officer of Foster Medical (Waltham, MA), a supplier of hospital equipment. From 1988 to 1990, he was President of Towles Housewares Company (Newburyport, MA), and Vice President and Board Member of J&J Dental Products Company (East Windsor, NJ), a world leader in composite materials, dental amalgams, cleaning and polishing products. Mr. Dorsey received a BA from Assumption College and an MBA from Fairleigh Dickinson University.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Corporate Governance and Guidelines

AdvanSource's Board of Directors has long believed that good corporate governance is important to ensure that AdvanSource is managed for the long-term benefit of stockholders. During the past year, AdvanSource's Board of Directors has continued to review its governance practices in light of the Sarbanes-Oxley Act of 2002 and recently revised SEC rules and regulations. This section describes key corporate governance guidelines and practices that we have adopted. Complete copies of the corporate governance guidelines, committee charters and code of ethics described below are available on our website at www.advbiomaterials.com, and any amendments to any of the foregoing corporate governance documents or any waivers of our code of ethics will be posted on our website. Alternatively, you can request a copy of any of these documents by writing to the Acting Chief Financial Officer, AdvanSource Biomaterials Corporation, 229 Andover Street, Wilmington, MA 01887.

The Board has adopted corporate governance guidelines to assist the Board in the exercise of its duties and responsibilities and to serve in our best interests and those of its stockholders. These guidelines, which provide a framework for the conduct of the Board's business, include that:

- the principal responsibility of the directors is to oversee our management;
- a majority of the members of the Board shall be independent directors;
- the non-management directors meet regularly in executive session; and
- directors have full and free access to management and, as necessary and appropriate, independent advisors.

Independence of the Board of Directors

The Board of Directors has adopted director independence guidelines that are consistent with the definitions of "independence" as set forth in Section 301 of the Sarbanes-Oxley Act of 2002, Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and NYSE Amex listing standards. In accordance with these guidelines, the Board of Directors has reviewed and considered facts and circumstances relevant to the independence of each of our directors and director nominees and has determined that, each of our non-management directors qualifies as "independent" under NYSE Amex listing standards.

Board Attendance

The Board met five (5) times during the year ended March 31, 2008. With the exception of Mr. Dorsey, each director attended in excess of 75% of the total number of meetings of the Board and of committees of the Board on which he served during fiscal 2009. Our 2008 Annual Meeting was attended by all directors except Mr. Dorsey. The non-management members of the Board regularly meet, without any members of management present, at each scheduled Board of Directors meeting. The members of the Board and its committees did not act by unanimous written consent during the year ended March 31, 2009 pursuant to Delaware law. We do not have a formal policy regarding attendance at the Annual Meeting by directors, but we strongly encourage all directors to attend the Annual Meeting.

Committees of the Board of Directors

The Board of Directors has an Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee. The membership of each, as of June 15, 2009, is indicated in the table below.

Directors	Audit	Compensation	Nominating/ Corporate Governance
William J. O'Neill, Jr.	Chair		
Michael L. Barretti		Chair	Chair
Anthony J. Armini	X	X	
Jeremiah E. Dorsey	X	X	X

The Board of Directors has determined that all of the members of each committee are independent as defined under the NYSE Amex rules, including, in the case of all members of the Audit Committee, the independence requirements contemplated by Rule 10A-3 under the Exchange Act. In addition, all of the members of the Audit Committee are independent as defined by the NYSE Amex rules that apply to us until the date of the Annual Meeting and otherwise satisfy the NYSE Amex eligibility requirements for Audit Committee membership.

Audit Committee

The Audit Committee was established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Board has designated from among its members Mr. William J. O'Neill, Jr., Dr. Anthony J. Armini, and Mr. Jeremiah E. Dorsey as the members of the Audit Committee. The primary functions of the Audit Committee are to represent and assist the Board of Directors with the oversight of:

- appointing, approving the compensation of, and assessing the independence of the our independent auditors;
- overseeing the work of our independent auditors, including through the receipt and consideration of certain reports from the independent auditors;
- reviewing and discussing with management and the independent auditors our annual and quarterly financial statements and related disclosures;
- coordinating the Board of Director's oversight of our internal control over financial reporting, disclosure controls and procedures and code of conduct and ethics;
- establishing procedures for the receipt and retention of accounting related complaints and concerns;
- meeting independently with our internal auditing staff, independent auditors and management; and
- preparing the audit committee report required by SEC rules.

The Board of Directors has determined that Mr. O'Neill is an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K. Mr. O'Neill also acts as the Chairman of the Audit Committee.

During the fiscal year ended March 31, 2009, the Audit Committee met five (5) times. The responsibilities of the Audit Committee are set forth in its written charter, which is posted on our website at www.advbiomaterials.com under the "Investor Relations – Corporate Governance" section.

Compensation Committee

The Compensation Committee consists of Michael L. Barretti, chairman, Jeremiah E. Dorsey and Anthony J. Armini. The Compensation Committee is responsible for implementing our compensation philosophies and objectives, establishing remuneration levels for our executive officers and implementing our incentive programs, including our equity compensation plans. The Board of Directors has determined that each of the members of the Compensation Committee is an “independent” director within the meaning of the NYSE Amex listing standards, a “Non-Employee” director as defined in Rule 16b-3 of the Exchange Act, and an “Outside” director as defined in Section 162(m) of the Internal Revenue Code, as amended. The Compensation Committee met one time in fiscal 2009.

Compensation is paid to our executive officers in both fixed and discretionary amounts which are established by the Board of Directors based on existing contractual agreements and the determinations of the Compensation Committee. Pursuant to its charter, the responsibilities of the Compensation Committee are (i) to assist the Board of Directors in discharging its responsibilities in respect of compensation of our senior executive officers; (ii) review and analyze the appropriateness and adequacy of our annual, periodic or long-term incentive compensation programs and other benefit plans and administer those compensation programs and benefit plans; and (iii) review and recommend compensation for directors, consultants and advisors. Except for the delegation of authority to the Chief Executive Officer to grant certain de minimus equity compensation awards to our non-executive employees, the Compensation Committee has not delegated any of its responsibilities to any other person.

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee’s responsibilities include identifying individuals qualified to become Board members; recommending to the Board the persons to be nominated for election as directors and to each of the Board’s committees; and reviewing and making recommendations to the Board with respect to management succession planning. During the fiscal year ended March 31, 2009, the Nominating/Corporate Governance Committee met once in a joint meeting with the full Board of Directors in connection with the unanimous approval by the Board of Directors of the nominee for election as Class III Director at our 2008 annual meeting of stockholders held on October 15, 2008. The responsibilities of the Nominating/Corporate Governance Committee are set forth in its written charter, which is posted on our website at www.advbionaterials.com under the “Investors – Corporate Governance” section.

Director Nomination Procedures

The nominating committee assesses the appropriate size of the Board of Directors, and whether any vacancies on the Board of Directors are expected due to retirement or otherwise. In the event that vacancies are anticipated or otherwise arise, the committee utilizes a variety of methods for identifying and evaluating director candidates. Candidates may come to the attention of the committee through current directors, professional search firms, stockholders or other persons. Once the committee has identified a prospective nominee, the committee will evaluate the prospective nominee in the context of the then current constitution of the Board of Directors and will consider a variety of other factors, including the prospective nominee’s business, finance and financial reporting experience, and attributes that would be expected to contribute to an effective Board of Directors. The committee seeks to identify nominees who possess a wide range of experience, skills, areas of expertise, knowledge and business judgment. Successful nominees must have a history of superior performance or accomplishments in their professional undertakings and should have the highest personal and professional ethics and values. The committee does not evaluate stockholder nominees differently than any other nominee.

Pursuant to procedures set forth in our bylaws, our nominating committee will consider stockholder nominations for directors if we receive timely written notice, in proper form, of the intent to make a nomination at a meeting of stockholders. To be timely, the notice must be received within the time frame identified in our bylaws, a discussion of which appears below under the heading “Deadline For Submission of Stockholder Proposals.” To be in proper form, the notice must, among other matters, include each nominee’s written consent to serve as a director if elected, a description of all arrangements or understandings between the nominating stockholder and each nominee and information about the nominating stockholder and each nominee. These requirements are detailed in our bylaws, which were filed as Appendix D to our definitive proxy statement on Schedule 14A as filed with the SEC on August 30, 2007. A copy of our bylaws will be provided upon written request to the Acting Chief Financial Officer at AdvanSource Biomaterials Corporation, 229 Andover Street, Wilmington, MA 01887.

Code of Conduct and Ethics

We have adopted a code of ethics that applies to its chief executive officer and acting chief financial officer. The code of ethics is posted on our website at www.advbionaterials.com. We intend to include on our website any amendments to, or waivers from, a provision of our code of ethics that applies to our chief executive officer or acting chief financial officer that relates to any element of the code of ethics definition enumerated in Item 406 of Regulation S-K.

Stockholder Communications with the Board of Directors

Pursuant to procedures set forth in our bylaws, our nominating committee will consider stockholder nominations for directors if we receive timely written notice, in proper form, of the intent to make a nomination at a meeting of stockholders. To be timely, the notice must be received within the time frame identified in our bylaws, discussed below. To be in proper form, the notice must, among other matters, include each nominee's written consent to serve as a director if elected, a description of all arrangements or understandings between the nominating stockholder and each nominee and information about the nominating stockholder and each nominee. These requirements are detailed in our bylaws, which were filed as Appendix D to our definitive proxy statement on Schedule 14A as filed with the SEC on August 30, 2007. A copy of our bylaws will be provided upon written request.

The Board will give appropriate attention to written communications that are submitted by stockholders, and will respond if and as appropriate. Stockholders who wish to send communications on any topic to the Board should address such communications to Board of Directors c/o Acting Chief Financial Officer, AdvanSource Biomaterials Corporation, 229 Andover Street, Wilmington, MA 01887.

EXECUTIVE OFFICERS

The executive officers, their ages and positions at AdvanSource as well as certain biographical information of these individuals, are set forth below. The ages of the individuals are provided as of June 15, 2009.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Michael F. Adams	52	President, Chief Executive Officer and Director
David Volpe	54	Acting Chief Financial Officer
Andrew M. Reed, Ph.D. (1)	56	Vice President of Science & Technology

(1) Dr. Reed tendered his resignation as our Vice President of Science & Technology, effective July 31, 2009, to pursue other opportunities.

Mr. Michael F. Adams has been our director since May 1999. Mr. Adams was appointed as our President & Chief Executive Officer on August 7, 2006. From April 1, 2006 until August 7, 2006, Mr. Adams was the our Vice President of Regulatory Affairs and Business Development. Prior to April 2006, Mr. Adams was the Vice President of PLC Systems, Inc. Prior to joining PLC Systems in September 2000, Mr. Adams was Vice President of Assurance Medical, Inc. Prior to joining Assurance Medical in June 1999, Mr. Adams was the Chief Operating Officer and Vice President of Regulatory Affairs and Quality Assurance of CardioTech from June 1998 to May 1999. From November 1994 through June 1998, Mr. Adams served as the Vice President of Cytyc Corporation. Mr. Adams received a BS from the University of Massachusetts.

David Volpe was appointed as our Acting Chief Financial Officer on March 3, 2009. Mr. Volpe has over 22 years of experience in executive level financial management, business development, merger and acquisition, strategic turnaround, investor relations, and private and public financing. From April 2003 through the date of his appointment as Acting Chief Financial Officer, Mr. Volpe was the strategic and financial advisor to our Chief Executive Officer and former Chief Financial Officer, operating through Carmel Lake Ventures, LLC, Mr. Volpe's privately-owned consulting firm. From July 1999 through April 2003, Mr. Volpe was our Acting Chief Financial Officer. In addition, Mr. Volpe held the position of Vice President of Strategic Development from April 2003 through December 2008 and Acting Chief Financial Officer from May 2001 through February 2003 for Implant Sciences Corporation, a publicly-held technology company formerly listed on the NYSE Amex. From December 2005 through March 2009, Mr. Volpe served on the American Stock Exchange Listed Company Advisory Council. From 1986 through 1991, Mr. Volpe was an Audit Manager at Price Waterhouse focusing his efforts on emerging growth, technology-based companies. Mr. Volpe holds BS degrees in geology and accounting from the California State Universities at Northridge and Bakersfield, respectively.

Dr. Andrew M. Reed was our Vice President of Science & Technology from April 2006 through July 2009. Prior to April 2006, Dr. Reed was Executive Vice President of CCS Medical a direct to patient provider of diabetic, respiratory, ostomy and wound care supplies. From 1999 to 2005 he was Chief Operating Officer and Vice President of Gericare Providers, Inc. a supplier of wound care products for patient in-home use. He was President of Innovative Technologies (US), Inc. the US Division of a UK based private label manufacturer of proprietary wound care products from 1997 through 1999. From 1990 to 1997, Dr. Reed held management positions of increasing responsibilities at PolyMedica Corporation, a direct to consumer diabetic, pharmaceutical and wound care product manufacturer and provider, including Vice President of Research and Development and President of PolyMedica Wound Care Company. Dr. Reed was responsible for research and development and manufacturing functions. Earlier in his career, Dr. Reed was a Senior Research Chemist at Millipore Corporation. Dr. Reed is the holder of several U.S. Patents, primarily in the area of polyurethane and wound dressing technologies, and is the co-inventor of ChronoFlex. Dr. Reed received his Ph.D. in Polymer Chemistry from the University of Liverpool, UK. He is the author and co-author of numerous published scientific papers.

**SECURITY OWNERSHIP OF CERTAIN
BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth the beneficial ownership of shares of our common stock, as of June 15, 2009, of (i) each person known by us to beneficially own five percent (5%) or more of such shares; (ii) each of our directors and executive officers named in the Summary Compensation Table; and (iii) all of our current executive officers, directors, and significant employees as a group. Except as otherwise indicated, all shares are beneficially owned, and the persons named as owners hold investment and voting power.

Beneficial ownership has been determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934. Under this rule, certain shares may be deemed to be beneficially owned by more than one person, if, for example, persons share the power to vote or the power to dispose of the shares. In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire shares, for example, upon exercise of an option or warrant, within sixty (60) days of June 15, 2009. In computing the percentage ownership of any person, the amount of shares is deemed to include the amount of shares beneficially owned by such person, and only such person, by reason of such acquisition rights. As a result, the percentage of outstanding shares of any person as shown in the following table does not necessarily reflect the person's actual voting power at any particular date.

<u>Name and Address of Beneficial Owner (1)</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percentage of Class (2)</u>
Executive Officers and Directors		
Michael F. Adams (3)	389,347	1.8%
Michael L. Barretti (4)	223,129	1.1%
Anthony J. Armini, Ph.D. (5)	168,520	*
William J. O'Neill, Jr. (6)	105,000	*
Jeremiah E. Dorsey (7)	136,874	*
Andrew M. Reed, Ph.D. (8)	225,000	1.1%
All executive officers and directors as a group (6 persons) (9)	1,247,870	5.9%

* Less than 1%

(1) Unless otherwise indicated, the business address of the stockholders named in the table above is AdvanSource Biomaterials Corporation, Inc. 229 Andover Street, Wilmington, MA 01887.

(2) Based on 21,128,647 outstanding shares as of June 15, 2009.

(3) Includes 388,964 shares of common stock, which may be purchased within sixty (60) days of June 15, 2009 upon the exercise of stock options.

(4) Includes 206,964 shares of common stock, which may be purchased within sixty (60) days of June 15, 2009 upon the exercise of stock options.

(5) Includes 162,520 shares of common stock, which may be purchased within sixty (60) days of June 15, 2009 upon the exercise of stock options.

(6) Includes 105,000 shares of common stock, which may be purchased within sixty (60) days of June 15, 2009 upon the exercise of stock options.

(7) Includes 136,874 shares of common stock, which may be purchased within sixty (60) days of June 15, 2009 upon the exercise of stock options.

(8) Includes 225,000 shares of common stock, which may be purchased within sixty (60) days of June 15, 2009 upon the exercise of stock options.

(9) See footnotes (3) through (8).

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides information concerning compensation for services rendered to us in all capacities for the fiscal years ended March 31, 2009 and 2008 by our Chief Executive Officer, and our other most highly compensated executive officer, and a former executive officer whose total compensation exceeded \$100,000 in fiscal 2009.

<u>Name and Principal Position</u>	<u>Fiscal Year</u>	<u>Salary (\$)</u>	<u>Bonus (\$)</u>	<u>Option Awards (\$) (1)</u>	<u>All Other Compensation (\$) (2)</u>	<u>Total (\$)</u>
Named Executive Officers						
Michael F. Adams						
President & CEO	2009	\$ 292,000	\$ 36,000	\$ -	\$ 17,000 (3)	\$345,000
	2008	\$ 279,000	\$ -	\$109,000	\$ 17,000 (3)	\$405,000
Andrew M. Reed, Ph.D. (4)						
Vice President of Science & Technology						
	2009	\$ 183,000	\$ -	\$ -	\$ 2,000	\$185,000
	2008	\$ 172,000	\$ -	\$ 13,000	\$ 2,000	\$187,000
Former Executive Officer						
Eric G. Walters (5)						
Former Vice President & CFO	2009	\$ 196,000	\$ -	\$ -	\$ 14,000 (6)	\$210,000
	2008	\$ 190,000	\$ -	\$ 19,000	\$ 15,000 (6)	\$224,000

- (1) The amount reported in this column for the Named Executive Officer represents the dollar amount recognized for financial statement reporting purposes in fiscal 2008, determined in accordance with Statement of Financial Accounting Standards (“SFAS”) No. 123R, “*Share-Based Compensation*.” See Note A of Notes to Consolidated Financial Statements set forth in our Annual Report on Form 10-K for fiscal year 2008 for the assumptions used in determining the value of such awards.
- (2) All other compensation includes, but is not limited to, premiums paid by us for disability and group term life insurance for all named executive officers and a former executive officer, and consulting fees paid to our Acting Chief Financial Officer.
- (3) All other compensation of Mr. Adams is composed of approximately \$2,000 in premiums paid by us for disability and group term insurance and personal use of leased vehicles in the approximate amount of \$15,000 for each of the years ended March 31, 2009 and 2008, respectively.
- (4) On July 31, 2009, Dr. Reed resigned as our Vice President of Science & Technology to pursue other interests.
- (5) All other compensation of Mr. Walters is composed of \$2,000 and \$3,000 in premiums paid by us for disability and group term insurance and personal use of leased vehicles in the approximate amount of \$12,000 for each of the years ended March 31, 2009 and 2008, respectively.
- (6) We entered into a Separation Agreement and General Release (the “Separation Agreement”) with Mr. Walters, our former Vice President and Chief Financial Officer, on February 28, 2009 (the “Separation Date”). Under the terms of the Separation Agreement, which supersedes the previous employment agreement entered into on April 3, 2006, and amended on July 10, 2007, and beginning on the Separation Date, Mr. Walters will: (i) receive a severance payment of approximately \$129,000 to be paid over 34 weeks on our regularly scheduled paydays, and (ii) be eligible for COBRA health benefits, which premiums will be paid by Mr. Walters and us for a period of 34 weeks in accordance with our health benefit contribution policies.

Employment Agreements; Change in Control and Severance Provisions

Terms of Employment Agreement with Named Executive Officer

We entered into an employment agreement with Michael F. Adams on September 13, 2006, effective August 7, 2006 (the "Adams Agreement").

The Adams Agreement provides for Mr. Adams to serve as our President & Chief Executive Officer. Pursuant to the terms of the Adams Agreement, as amended on July 10, 2007, Mr. Adams is to receive an annual base salary of \$290,000, effective April 1, 2007. Mr. Adams' salary will be reviewed annually by the Board. Additionally, Mr. Adams may also be entitled to receive an annual bonus payment in an amount, if any, to be determined by the Compensation Committee of the Board.

The term of the Adams Agreement is set to expire on August 6, 2008. After such time, the term of the Adams Agreement will be deemed to continue on a month-to-month basis if not expressly extended while Mr. Adams remains employed by us. We and Mr. Adams each have the right to terminate the Adams Agreement at any time, with or without cause, as defined below, upon thirty (30) days prior written notice. In the event that we terminate the applicable Adams Agreement without cause, or Mr. Adams terminates his employment for good reason following a change in control, as defined below, or we fail to renew the Adams Agreement within two (2) years following the occurrence of a change in control, Mr. Adams will be entitled to receive severance equal to 2.0 times his annual base salary at termination. In such event, Mr. Adams will be bound by a non-compete covenant for one (1) year following termination of his employment.

Employment Agreement Definitions

Good Reason. "Good Reason" shall mean, during the nine (9) month period following a Change in Control, (1) a good faith determination by the named executive officer that as a result of such Change in Control he is not able to discharge his duties effectively or (2) without the named executive officer's express written consent, the occurrence of any of the following circumstances: (a) the assignment to the named executive officer of any duties inconsistent (except in the nature of a promotion) with the position in the Company that he held immediately prior to the Change in Control or a substantial adverse alteration in the nature or status of his position or responsibilities or the conditions of his employment from those in effect immediately prior to the Change in Control; (b) a reduction by the Company in the Base Salary as in effect on the date of the Change in Control; (c) the Company's requiring the named executive officer to be based more than twenty-five (25) miles from the Company's offices at which he was principally employed immediately prior to the date of the Change in Control except for required travel on the Company's business to an extent substantially consistent with his present business travel obligations; or (d) the failure by the Company to continue in effect any material compensation or benefit plan in which the named executive officer participates immediately prior to the Change in Control unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan, or the failure by the Company to continue the named executive officer's participation therein (or in such substitute or alternative plan) on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of his participation relative to other participants, than existed at the time of the Change in Control. The named executive officer's continued employment shall not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Good Reason hereunder.

Change in Control. A "Change in Control" shall occur or be deemed to have occurred only if any of the following events occur: (i) any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (other than any majority owned subsidiary thereof, the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company, any trustee or other fiduciary of a trust treated for federal income tax purposes as a grantor trust of which the Company is the grantor, or any corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportion as their ownership of stock of the Company) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities on any matter which could come before its stockholders for approval; (ii) individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A under the Exchange Act) shall be, for purposes of this Agreement, considered as though such person were a member of the Incumbent Board; (iii) the stockholders of the Company approve a merger or

consolidation of the Company with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 80% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no “person” (as hereinabove defined) acquires more than 50% of the combined voting power of the Company’s then outstanding securities; or (iv) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company’s assets.

Cause. “Cause” shall mean any of the following:

- misconduct of the named executive officer during the course of his employment which is materially injurious to the Company and which is brought to the attention of the named executive officer promptly after discovery by the Company, including but not limited to, theft or embezzlement from the Company, the intentional provision of services to competitors of the Company, or improper disclosure of proprietary information, but not including any act or failure to act by the named executive officer that he believed in good faith to be proper conduct not adverse to his duties hereunder;
- willful disregard or neglect by the named executive officer of his duties or of the Company’s interests that continues after being brought to the attention of the named executive officer;
- unavailability, except as provided for in Section 3.5 of the Employment Agreement (Disability or Death), of the named executive officer to substantially perform the duties provided for herein;
- conviction of a fraud or felony or any criminal offense involving dishonesty, breach of trust or moral turpitude during the named executive officer’s employment;
- the named executive officer’s breach of any of the material terms of the Employment Agreement (including the failure of the named executive officer to discharge his duties in a highly competent manner) or any other agreements executed in connection with the Employment Agreement.

Potential Payments Upon Termination or Change in Control

The following table describes the estimated incremental compensation upon (i) termination by us of the Named Executive Officer without Cause, (ii) termination for Good Reason by the Named Executive Officer following a Change in Control, or (iii) failure by us to renew the Employment Agreement within two (2) years following the occurrence of a Change in Control. The estimated incremental compensation assumes the triggering event had occurred on March 31, 2009. Benefits generally available to all employees are not included in the table. The actual amount of compensation can only be determined at the time of termination or change in control.

Named Executive Officer	Base Salary Continuation	COBRA Premiums (2)	Insurance Premiums (3)	Other
Michael F. Adams	\$ 580,000 (1)	\$ -	\$ 1,176	\$ -

- (1) Lump-sum payment equal to 2.0 times Mr. Adams’ base salary of \$290,000 per annum, the base salary then in effect as of March 31, 2009.
- (2) Represents estimated out-of-pocket COBRA health insurance premium expenses incurred by the Named Executive Officer over the six (6) month period following termination to be reimbursed by us. Currently, Mr. Adams does not subscribe to health benefits provided by us.
- (3) Represents estimated life insurance premiums to be paid by us on behalf of the Named Executive Officer after termination. We shall continue in full force and effect, at our expense, the life insurance benefits provided in the Employment Agreement for a period of 12 months after termination of the Named Executive Officer’s employment or until the Named Executive Officer becomes employed, whichever occurs first.

Terms of Separation Agreement with Former Executive Officer

We entered into a Separation Agreement and General Release (the “Separation Agreement”) with Mr. Walters, our former Vice President and Chief Financial Officer, on February 28, 2009 (the “Separation Date”). Under the terms of the Separation Agreement and beginning on the Separation Date, Mr. Walters will: (i) receive a severance payment of approximately \$129,000 to be paid over 34 weeks on our regularly scheduled paydays, and (ii) be eligible for COBRA health benefits, which premiums will be paid by Mr. Walters and us for a period of 34 weeks in accordance with our health benefit contribution policies. All other terms and conditions of Mr. Walters’ previous agreements with us were terminated and/or superseded by the Separation Agreement.

Outstanding Equity Awards at 2008 Fiscal Year-End

The following table provides information regarding outstanding stock options held by each Named Executive Officer as of the fiscal year ended March 31, 2009.

Named Executive Officers	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price (\$)	Option Expiration Date
Michael F. Adams	14,444	-	\$ 0.75	7/29/2009
	75,000	-	0.50	1/3/2010
	9,500	-	0.50	1/3/2010
	19,625	-	2.06	10/26/2010
	25,000	-	1.10	4/30/2011
	25,522	-	1.61	10/1/2011
	27,373	-	1.59	10/28/2012
	10,000	-	5.40	12/31/2013
	2,500	-	5.40	12/31/2013
	30,000	-	2.60	2/14/2015
	100,000	- (1)	1.23	10/16/2017
	50,000	50,000 (2)	1.23	10/16/2017
388,964	50,000			
Andrew M. Reed, Ph.D.	40,000	-	1.10	4/30/2011
	160,000	-	2.57	3/20/2016
	25,000	25,000 (2)	1.23	10/16/2017
	225,000	25,000		
613,964	75,000			

(1) Options vested 100% on October 16, 2007, the date of grant.

(2) Options will vest at the rate of 25% on October 16, 2007, the date of grant, and 25% on each annual anniversary thereafter ending on October 16, 2010.

The following table provides information regarding outstanding stock options held by the Former Executive Officer as of the fiscal year ended March 31, 2009.

Former Executive Officer	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price (\$)	Option Expiration Date
Eric G. Walters	200,000	-	(2) 2.32	5/29/2009
	37,500	-	(1) (2) 1.23	5/29/2009
	<u>237,500</u>	<u>-</u>		

- (1) Option will vest at the rate of 25% on October 16, 2007, the date of grant, and 25% on each annual anniversary thereafter ending on October 16, 2010.
- (2) As a result of Mr. Walters' separation as of February 28, 2009, all unvested options as of that date expired and all options unexercised and exercisable expire on May 29, 2009 if not earlier exercised.

2009 Option Exercises and Stock Vested

During the year ended March 31, 2009, there were no exercises of option awards by any of the Named Executive Officers.

DIRECTORS COMPENSATION

The following table sets forth the annual compensation of AdvanSource non-employee directors for fiscal 2009, which consisted of annual cash retainers, including amounts associated with serving as Chairman of the Board and the chair and member of Board committees, and equity awards in the form of options pursuant to the 2003 Stock Option Plan. Employee directors do not receive any separate compensation for their service on the Board.

Name	Fees Earned or Paid in Cash (\$)	Option Awards (\$ (1))	All Other Compensation (\$)	Total (\$)
William J. O'Neill, Jr.	\$ 25,000	\$ -	\$ -	\$25,000
Michael L. Barretti (2)	15,000	-	50,000	65,000
Anthony J. Armini, Ph.D.	20,000	-	-	20,000
Jeremiah E. Dorsey	-	4,000 (3)	-	4,000

- (1) The amount reported in this column for the non-employee director represents the dollar amount recognized for financial statement reporting purposes in fiscal 2008, determined in accordance with Statement of Financial Accounting Standards ("SFAS") No. 123R, "*Share-Based Compensation*." See Note A of Notes to Consolidated Financial Statements set forth in our Annual Report on Form 10-K for fiscal year 2008 for the assumptions used in determining the value of such awards.
- (2) During fiscal 2007, we entered into a consulting agreement with Mr. Barretti for an annualized fee of \$50,000. During the fiscal year ended March 31, 2009, we recognized \$50,000 of expense related to services incurred under this consulting agreement.
- (3) Mr. Dorsey received 11,250 option awards pursuant to our 2003 Stock Option Plan between the dates of May 28, 2008 and August 7, 2008. The option awards were valued using the Black-Scholes model with the following assumptions: volatility 68.3% to 70.0%; risk-free interest rate of 3.1% to 3.7%; expected life of 5.3 to 5.4 years; and expected dividend yield of 0.00%.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our executive officers, directors and persons who beneficially own more than 10% of a registered class of our securities to file reports of ownership and changes in ownership with the SEC. Based solely on a review of copies of such forms submitted to us, we believe that all persons subject to the requirements of Section 16(a) filed such reports on a timely basis in fiscal 2009.

Certain Relationships and Related Transactions

During fiscal 2007, we entered into a consulting agreement with Michael L. Barretti, a member of the Board and Chairman of the Compensation Committee, for an annualized fee of \$50,000. During each of the fiscal years ended March 31, 2009 and 2008, we recognized \$50,000 of expense related to services incurred under this consulting agreement, which was recorded as selling, general and administrative expense.

Transactions with related parties, including, but not limited to, members of the Board of Directors, are reviewed and approved by all members of the Board of Directors. In the event a transaction with a member of the Board is contemplated, the Director having a beneficial interest in the transaction is not allowed to participate in the decision-making and approval process. The policies and procedures surrounding the review, approval or ratification of related party transactions are not in writing, nevertheless, such reviews, approvals and ratifications of related party transactions are documented in the minutes of the meetings of the Board of Directors and any such transactions are committed to writing between the related party and us in an executed engagement agreement.

PROPOSAL 2

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board, on the recommendation of its Audit Committee, has selected the firm of Caturano and Company, P.C. (“Caturano”) as our independent registered public accounting firm for the current year. Caturano has served as our independent public accountants since its appointment in March 2009.

The affirmative vote of the holders of a majority of the votes cast by stockholders entitled to vote is required for the ratification of Caturano as our independent registered public accounting firm. Abstentions will be counted as a vote AGAINST the ratification of Caturano as our independent registered public accounting firm for the fiscal year ending March 31, 2010. Broker non-votes will have no effect on the ratification of Caturano as our independent registered public accounting firm.

Representatives of Caturano are expected to be present at the Annual Meeting. They will have the opportunity to make a statement if they desire to do so and will also be available to respond to appropriate questions from the stockholders.

If the stockholders do not ratify the selection of Caturano as our independent registered public accounting firm, the selection of such firm will be reconsidered by the Audit Committee. The Audit Committee reserves the right to change the independent public accountants for the current year if it determines that there is a valid reason to do so. At this time, the Audit Committee does not know of any such reason.

Board Recommendation

Accordingly, the Board believes ratification of the selection of Caturano as AdvanSource’s independent registered public accounting firm for the current year is in the best interests of AdvanSource and its stockholders and recommends a vote FOR the proposal.

Independent Auditor Fees and Other Matters

The following is a summary of the fees billed to us by Caturano and Company, P.C., our independent registered public accounting firm; and Ernst & Young LLP, our predecessor independent registered public accounting firm, for professional services rendered for the fiscal years ended March 31, 2009 and 2008. The Audit Committee considered and discussed with Ernst & Young LLP the provision of non-audit services to us and the compatibility of providing such services with maintaining its independence as our auditor.

Fee Category <i>(in thousands)</i>	Years Ended March 31,	
	2009	2008
Audit fees - Ernst & Young LLP	\$ 126	\$ 245
Audit fees - Caturano and Company, P.C.	65	-
Audit-related fees	-	-
Tax fees	-	-
All other fees	-	-
Total fees	<u>\$ 191</u>	<u>\$ 245</u>

Audit Fees. This category consists of fees billed for professional services rendered for the audit of our annual financial statements and review of financial statements included in our quarterly reports and other professional services provided in connection with regulatory filings.

Audit-Related Fees. This category consists of fees billed for assurance and related services that related to the performance of the audit or review of our financial statements and are not otherwise reported under "Audit Fees".

Tax Fees. This category consists of fees billed for professional services for tax compliance, tax advice and tax planning. These services include assistance regarding federal and state tax compliance and acquisitions.

Pre-Approval Policies and Procedures. The Audit Committee has the authority to approve all audit and non-audit services that are to be performed by our independent registered public accounting firm. Generally, we may not engage our independent registered public accounting firm to render audit or non-audit services unless the service is specifically approved in advance by the Audit Committee (or a properly delegated subcommittee thereof).

All Other Fees. This category consists of fees billed for professional services other than those fees described above.

Pre-Approval Policies and Procedures. The Audit Committee has the authority to approve all audit and non-audit services that are to be performed by our independent auditors. Generally, we may not engage our independent auditors to render audit or non-audit services unless the service is specifically approved in advance by the Audit Committee (or a properly delegated subcommittee thereof).

OTHER MATTERS

The Board does not know of any other matters, which may come before the Annual Meeting. However, if any other matters are properly presented to the Annual Meeting, it is the intention of the persons named in the accompanying proxy to vote, or otherwise act, in accordance with their judgment on such matters.

DEADLINE FOR SUBMISSION OF STOCKHOLDER PROPOSALS FOR THE 2009 ANNUAL MEETING

Stockholder proposals submitted pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") for inclusion in our proxy materials for the 2010 Annual Meeting of Stockholders must be received by the Secretary of the Company at our principal offices no later than May 5, 2010. We have received no stockholder nominations or proposals for the 2009 Annual Meeting.

Our bylaws require advance notice of any proposal by a stockholder intended to be presented at an annual meeting that is not included in our notice of annual meeting and proxy statement because it was not timely submitted under the preceding paragraph, or made by or at the direction of any member of the board of directors, including any proposal for the nomination for election as a director. To be considered for such presentation at the annual meeting of our stockholders to be held on or about October 13, 2010, any such stockholder proposal must be received by us no earlier than July 15, 2010 and no later than August 16, 2010, and discretionary authority may be used if untimely submitted.

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to read "M. Adams", with a long horizontal flourish extending to the right.

Michael F. Adams, *Secretary*

September 2, 2009

THE BOARD OF DIRECTORS ENCOURAGES STOCKHOLDERS TO ATTEND THE ANNUAL MEETING. WHETHER OR NOT YOU PLAN TO ATTEND, YOU ARE URGED TO VOTE BY COMPLETING AND SIGNING A PROXY CARD AND RETURNING IT PROMPTLY TO THE COMPANY; BY TELEPHONE AT 800-690-6903; OR BY INTERNET AT WWW.PROXYVOTE.COM, IN ORDER TO ASSURE REPRESENTATION OF YOUR SHARES AT THE MEETING. A PROMPT RESPONSE WILL GREATLY FACILITATE ARRANGEMENTS FOR THE ANNUAL MEETING AND YOUR COOPERATION WILL BE APPRECIATED. STOCKHOLDERS WHO ATTEND THIS ANNUAL MEETING MAY VOTE THEIR STOCK PERSONALLY EVEN THOUGH THEY HAVE SENT IN THEIR PROXIES.

ADVANSOURCE BIOMATERIALS CORPORATION

PROXY FOR THE ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON WEDNESDAY, OCTOBER 14, 2009

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS
OF ADVANSOURCE BIOMATERIALS CORPORATION

The undersigned, revoking all prior proxies, hereby appoint(s) Michael F. Adams and David Volpe, and each of them (with full power of substitution), as proxies to represent and vote, as designated herein, all shares of Common Stock of AdvanSource Biomaterials Corporation (the "Company") which the undersigned would be entitled to vote if personally present at the Annual Meeting of Stockholders to be held at the office of Seyfarth Shaw LLP located at Two Seaport Lane, Suite 300, Boston, MA 02210 on Wednesday, October 14, 2009, at 10:00 a.m. local time, and at any adjournment thereof.

In their discretion, the named proxies are authorized to vote upon such other matters as may properly come before the meeting, or any adjournment thereof.

This proxy, when properly executed, will be voted in the manner directed herein by the undersigned stockholder. **If no direction is given, this proxy will be voted for all proposals.** Attendance of the undersigned at the Meeting or at any adjournment thereof will not revoke this proxy unless the undersigned shall revoke this proxy in writing or shall deliver a subsequently dated proxy to the Secretary of the Company or shall vote in person at the Annual Meeting. We urge you to promptly authorize the proxies named herein to cast your vote by:

- Vote-by-Internet: Log on to the Internet and go to <http://www.proxyvote.com>.
- Vote-by-Telephone: Call toll-free 1-800-690-6903.
- Vote-by-Mail: Fill in, date, sign and mail this proxy card to the Company.

PLEASE MARK YOUR VOTE AS IN THIS EXAMPLE.

(1) To elect the following two (2) nominee director as Class I Directors of the Company (except as marked below) for the ensuing three (3) years:

Nominees: Michael F. Adams
Anthony J. Armini, PhD

FOR the nominees (except as marked below) WITHHOLD authority to vote for nominees

(2) To ratify the selection by the Board of Directors of Caturano and Company, P.C. as the Company's independent registered public accounting firm for the fiscal year ending March 31, 2010.

FOR AGAINST ABSTAIN

NOTE: Please sign your name exactly as it appears on your stock certificate(s), write the date and return this proxy as soon as possible. If the stock is registered in more than one name, each joint owner should sign. If signing as attorney, executor, trustee, administrator or guardian, please give full title as such. Only authorized officers should sign for corporations.

Date: _____

Date: _____

Signature

Signature