



ADVANSOURCE BIOMATERIALS ANNOUNCES MULTI-YEAR DEVELOPMENT AGREEMENT

Wilmington, MA. August 19, 2009... AdvanSource Biomaterials Corporation (NYSE Amex: ASB), a leading developer of advanced polymer materials for a broad range of medical devices, today announced that the Company has entered into a multi-year development agreement with a leading international medical device company.

The agreement calls for the development of a specialized solution-based polymer designed to meet the key characteristics required to optimize device performance. Upon successful development of the specified polymer the Company's will work together to finalize execution of a multi-year supply agreement which includes an annual usage fee per end-product incorporation and commercialization. Presently, the solution based polymer is being positioned for use across multiple product lines to be initiated over the next 3-5 years.

Khristine Carroll, AdvanSource's Vice President of Sales and Marketing, stated, "This is a significant step in our vertical integration strategy, which includes our commitment to developing solution-based polymers designed to meet the specific requirements of our customers. We are very enthusiastic about the response we have received from the device industry and by the extension of partnership that an agreement such as this represents."

Michael F. Adams, President and CEO of AdvanSource, commented, "This development agreement with an internationally recognized medical device company is the culmination of much hard work on the part of our sales and research and development teams. We believe this new development relationship is important in validating our business model; the key driver being our ability to leverage our biomaterials technology and capabilities in partnership with developers and manufacturers of medical devices."

About AdvanSource Biomaterials Corporation

AdvanSource Biomaterials Corporation manufactures advanced polymer materials which provide critical characteristics in the design and development of medical devices. The Company's biomaterials are used in devices that are designed for treating a broad range of anatomical sites and disease states. AdvanSource's business model leverages its proprietary materials science technology and manufacturing expertise in order to expand its product sales and royalty and license fee income. More information about AdvanSource is available at its website: www.advbiomaterials.com



Forward-Looking Statements

AdvanSource believes that this press release contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could cause results to differ materially from the forward-looking statements. For further information on such risks and uncertainties, you are encouraged to review AdvanSource's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended March 31, 2009 and its Quarterly Report on Form 10-Q for the quarter ended June 30, 2009. AdvanSource assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

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