

ADVANSOURCE BIOMATERIALS REPORTS FISCAL 2016 FIRST QUARTER RESULTS AND SECOND CONSECUTIVE QUARTERLY PROFIT

Wilmington, MA. August 20, 2015... AdvanSource Biomaterials Corporation (OTCQB: ASNB), a leading developer of advanced polymer materials for a broad range of medical devices, today announced financial results for its fiscal 2016 first quarter ended June 30, 2015 resulting in second consecutive quarterly profit.

Total revenues for the three months ended June 30, 2015 were \$1,171,000, compared with \$621,000 for the comparable prior year period, an increase of \$550,000, or 89%.

Product sales of our biomaterials for the three months ended June 30, 2015 were \$1,048,000, compared with \$366,000 for the comparable prior year period, an increase of \$682,000, or 186%.

License, royalty and development fees for the three months ended June 30, 2015 were \$123,000, compared with \$255,000 for the comparable prior year period, a decrease of \$132,000 or 51%.

Gross profit on total revenues for the three months ended June 30, 2015 was \$849,000, or 73% of total revenues, compared with \$393,000, or 63% of total revenues for the comparable prior year period.

Gross profit on product sales for the three months ended June 30, 2015 was \$726,000, or 69% of product sales, compared with gross profit of \$138,000, or 38% of product sales for the comparable prior year period.

Total operating expenses, composed of research, development, selling, general and administrative expenses, for the three months ended June 30, 2015 were \$421,000, compared with \$427,000 for the comparable prior year period, a decrease of \$6,000 or 1%.

Net income for the three month period ended June 30, 2015 was \$377,000, compared with a net loss of (\$132,000) for the comparable prior year period.

As of June 30, 2015, we had cash and cash equivalents of \$247,000 as compared with \$75,000 as of March 31, 2015.

Michael F. Adams, President and CEO of AdvanSource, stated, "We are pleased with our financial performance during this recently completed quarter. We have stabilized our financial position and strengthened our cash position. We are grateful for the hard work of our employees, the continued acceptance of our products and technology by our customers and business partners, and the loyalty of our shareholders."

Detailed financial information can be found in our Quarterly Report on Form 10-Q which was filed with the Securities Exchange Commission on August 14, 2015.

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 Biomaterials Corporation 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 the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended March 31, 2015 and its Quarterly Report on Form 10-Q for the quarter ended June 30, 2015. The Company 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.

For further information contact:

For AdvanSource Biomaterials Corporation

David Volpe

CLV Communications

508-523-3141

david@clvllc.com