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For Immediate Release

Science Dynamics To Be Listed on Over the Counter Bulletin Board

CHERRY HILL, NJ -- (August 23, 2001) -- Science Dynamics "SciDyn", a developer of Internet Protocol-based (IP) telephony solutions and services, today announced that the Company's common stock will no longer be listed on The Nasdaq SmallCap Market effective as of the opening of business on August, 24, 2001. The Company expects that its stock will be quoted for trade on the Over the Counter Bulletin Board (OTCBB) and that the Company's ticker symbol will remain 'SIDY'.

On June 15th, 2001, SciDyn submitted a proposal to Nasdaq, outlining how the Company planned to achieve compliance with the net tangible assets and market capitalization requirements for continued listing. Based on the determination of Nasdaq staff, SciDyn has received formal notification that the Company does not meet the compliance requirements for continued listing on The Nasdaq SmallCap Market.

About Science Dynamics Corporation:

Headquartered in Cherry Hill, New Jersey, Science Dynamics Corporation (SciDyn) is a leading developer of telecommunications solutions. SciDyn's IP telephony products enable the seamless connection between traditional circuit-switch based networks and the next generation of packet-based networks. Products include: The IntegratorC-2000® series of IP Telephony Gateways; the Commander II Inmate Control phone system (also based on the IntegratorC-2000® architecture) and the VFX-200 series of Video over Frame Relay Access Devices (FRADs). Visit Science Dynamics' website at <http://www.SciDyn.com>.

The Company is making this statement in order to satisfy the "safe harbor" provisions contained in the Private Securities Litigation Reform Act of 1995. This press release includes forward-looking statements relating to the business of the Company. Forward-looking statements contained herein or in other statements made by the Company are made based on management's expectations and beliefs concerning future events impacting the Company and are subject to risks, uncertainties and factors relating to the

other factors, which Company's operations and business environment, all of which are difficult to predict and many of which are beyond the control of the Company, that could cause actual results of the Company to differ materially from those set forth above and elsewhere in the Annual Report. The Company may encounter competitive, technological, and financial and business challenges making it more difficult to market its products and services, the impact of which may in matters expressed in or implied by forward-looking statements. The Company believes that the following factors, among others, could turn affect the Company's results of operations and financial position, affect its future performance and cause actual results of the Company to differ materially from those expressed in or implied by forward-looking statements made by or on behalf of the Company: (a) the effect of technological changes; (b) increases in or unexpected losses; (c) increased competition; (d) fluctuations in the costs to operate the business; (e) uninsurable risks; and (f) general economic conditions