



Science Dynamics announces the sale of Loss making subsidiary.

PENNSAUKEN, N.J., 26th October 04, Science Dynamics Corporation -- "SciDyn" (OTC Bulletin Board: SIDY), a developer of Internet Protocol-based (IP) telephony solutions and services, today announced that: Effective September 1, 2004 SciDyn has sold all the assets of its subsidiary M3 Acquisition Corp to Modern Mass Media Group Inc. The sale of the M3 assets will cut losses being generated from M3. In addition, this will allow SciDyn to focus on its core business of software engineering. M3 Acquisition Corp. had an operating loss of over \$420,000 in the first two quarters of 2004. The sale of this division has reduced SciDyn's liabilities by over \$1,000,000.

Paul Burgess, Science Dynamics' COO said, "The disposition of this part of our business allows us to focus on growing the System Engineering division which has consistently demonstrated and maintains higher margins. Having gained a greater understanding of the Audio Visual component required for Converged Networks, SciDyn determined to sell the low margin, loss making, product distribution part of its business and concentrate on growing its system engineering and software development activities, where greater margins and sustainable growth are more achievable." Alan Bashforth, Science Dynamics CEO stated, "Management has identified several revenue growth opportunities that could enable SciDyn to leverage its existing systems engineering expertise. The Company is focused on creating shareholder value by developing innovative technologies, acquiring and growing profitable companies whilst forging strategic alliances with well-positioned companies in complementary industries."

Modern Mass Media Group was formed by a group of Canadian and US investors to acquire Multi Media companies across America. Brenda Joyal, Director of Modern Mass Media Group Inc., stated "We are pleased to complete this transaction as it is a key component of our investment strategy and are grateful to Paul Burgess and Science Dynamics for the help they gave us in this early stage of our enterprise."

About Science Dynamics Corporation

Headquartered in Cherry Hill, New Jersey, Science Dynamics Corporation (SciDyn) is a 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>.

Science Dynamics ("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 other factors relating to the 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. The Company believes that the following factors, among others, could 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.