

# Dynasil<sup>®</sup>

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## Dynasil's RMD Research Unit Wins \$3.65 Million in Contracts from the Domestic Nuclear Detection Office

*Awards Provide Additional Funded Research and Development for Company's Advanced Radiation Detectors*

Watertown, Mass., December 8, 2011 – [Dynasil Corporation of America](#) (NASDAQ: DYSL) today announced that its RMD Research subsidiary has been awarded contracts totaling \$3.65 million from the Department of Homeland Security's Domestic Nuclear Detection Office (DNDO). These contracts will foster Dynasil's continued research and development of gamma and neutron radiation detectors capable of identifying illicit nuclear materials.

"Dynasil is proud to play a key role in the DNDO's mission to develop technology that enhances our country's capability to detect nuclear and radiological materials that threaten the United States," said Dynasil President and Chief Executive Officer Steven Ruggieri. "We are beginning to commercialize high-performance, dual-mode scintillation crystals designed to identify neutron and gamma rays, which are characteristic signatures of highly enriched uranium and weapons-grade plutonium. The DNDO contracts we are announcing today will help to expand our product commercialization efforts and drive further technology innovation."

The DNDO is the U.S. government entity responsible for implementing domestic nuclear detection efforts for managed and coordinated detection and response to radiological and nuclear threats. It also integrates nuclear forensics programs.

The research contracts received by Dynasil consist of \$2.15 million under the DNDO's Exploratory Research Program (ERP) and \$1.5 million under the Small Business Innovation Research (SBIR) program. The ERP's aim is to provide funding to investigate promising nuclear detection concepts from feasibility evaluation through proof of concept demonstration. The SBIR contracts are designed to stimulate technological innovation of nuclear threat detection programs and increase private sector commercialization derived from R&D funding.

Earlier this year, RMD Research was named a 2011 Department of Homeland Security (DHS) small business winner for radiation and nuclear detection. This award is one of DHS's small business awards for innovative achievement and commitment to national security.

#### **About Dynasil**

Dynasil Corporation of America (NASDAQ: DYSL) develops and manufactures detection, sensing and analysis technology, precision instruments and optical components for the homeland security, medical and industrial markets. Combining world-class technology with expertise in research and materials science, Dynasil is commercializing products including dual-mode radiation detection solutions for Homeland Security and commercial applications, probes for medical imaging and sensors for non-destructive testing. Dynasil has an impressive and growing portfolio of issued and pending U.S. patents. The Company is based in Watertown, Massachusetts, with additional operations in Mass., Minn., NY, NJ and the United Kingdom. More information about the Company is available at <http://www.dynasilcorp.com>.

#### **Safe Harbor**

This news release may contain forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act, including those related to expectations, beliefs, plans, designs, objectives, prospects, financial condition, assumptions or future events or performance, involve a number of risks and uncertainties. These statements, including but not limited to statements regarding our commercialization efforts, involve certain risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, interest in the Company's products, consumer acceptance of new products, general economic conditions, consumer trends, costs and availability of raw materials and management information systems, competition, litigation and the effect of governmental regulation, as well as the factors detailed in the Company's Annual Report on Form 10-K and the Company's other Securities and Exchange Commission filings.

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