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pSivida Added to Russell Microcap Index

WATERTOWN, Mass., Aug 04, 2010 (BUSINESS WIRE) --

pSivida Corp. (NASDAQ:PSDV) (ASX:PVA), a leader in the development of sustained release back of the eye drug delivery systems for difficult-to-treat conditions, announced that it has been added to the Russell Microcap[®] Index, following the Russell Investment Group's annual reconstitution of its indices.

Membership in the Russell Microcap Index, which remains in place for one year, means automatic inclusion in the appropriate growth and value style indexes. Russell determines membership for its equity indexes primarily by objective, market-capitalization rankings and style attributes.

"Our inclusion is indicative of the progress that pSivida has made in the past two years," said Paul Ashton, Ph.D., President and Chief Executive Officer of pSivida. "In that time, we have moved our third product toward commercialization with an NDA being filed by our licensee Alimera, developed additional technologies and earlier stage products and very importantly, improved our cash position. The company is in a good position to capitalize on the many opportunities that lie before us."

Russell indexes are widely used by investment managers and institutional investors for index funds and as benchmarks for both passive and active investment strategies. An industry-leading \$3.9 trillion in assets are currently benchmarked to them.

Annual reconstitution of the Russell Indexes captures the 4,000 largest U.S. stocks as of the end of May, ranking them by total market capitalization to create the Russell 3000[®] Index and Russell Microcap. These investment tools originated from Russell's multi-manager investment business in the early 1980s when the company saw the need for a more objective, market-driven set of benchmarks in order to evaluate outside investment managers.

Total returns data for the Russell Microcap and other Russell indexes are available at <http://www.russell.com/Indexes/performance/default.asp>.

About Russell

Russell Investments provides strategic advice, world-class implementation, state-of-the-art performance benchmarks and a range of institutional-quality investment products. Russell has \$179 billion in assets under management as of March 31, 2010, and serves individual, institutional and advisor clients in more than 40 countries. Founded in 1936, Russell is a subsidiary of The Northwestern Mutual Life Insurance Company.

About pSivida

pSivida Corp. is a world leader in the development of tiny, sustained release, drug delivery products and technologies that are administered by implantation, insertion or injection. The Company uses these systems to develop treatments for serious, unmet, medical needs. pSivida's intellectual property portfolio consists of 59 patent families, more than 100 granted patents, including patents accepted for issuance, and more than 150 patent applications. pSivida conducts its operations from Boston in the United States and Malvern in the United Kingdom.

SAFE HARBOR STATEMENTS UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: Various statements made in this release are forward-looking and are inherently subject to risks, uncertainties and potentially inaccurate assumptions. All statements that address activities, events or developments that we intend, expect or believe may occur in the future are forward-looking statements. The following are some of the factors that could cause actual results to differ materially from the anticipated results or other expectations expressed, anticipated or implied in our forward-looking statements: maintaining collaboration agreements with Alimera and Pfizer; modifications of existing terms of collaboration agreements with Alimera and Pfizer; achievement of milestones and other contingent contractual events; ability to prove safety and efficacy of, and achieve regulatory approvals for, and successfully commercialize Iluvien, BrachySil and other products; ability to raise capital; ability to achieve profitability; ability to derive revenues from Retisert; ability to develop new products; impairment of intangibles; fluctuations in the fair values of certain outstanding warrants; fluctuations in operating results; termination of

license agreements; ability to obtain partners to develop and market products; competition; extent of third-party reimbursement for products; product liability; ability to protect intellectual property or infringement of others' intellectual property; retention of key personnel; consolidation in the pharmaceutical and biotechnology industries; compliance with laws; maintaining effective internal control over financial reporting; manufacturing risks; risks and costs of international business operations; volatility of stock price; possible dilution through exercise of outstanding warrants and stock options or future stock issuances; possible influence by Pfizer; ability to pay any registration penalties; and other factors described in our filings with the Securities and Exchange Commission. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Our forward-looking statements speak only as of the dates on which they are made. We do not undertake any obligation to publicly update or revise our forward-looking statements even if experience and future changes make it clear that any projected results expressed or implied in such statements will not be realized.

SOURCE: pSivida Corp.

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