

OTCBB: DVNTF

FOR IMMEDIATE RELEASE:

Diversinet Corp. Announces Fiscal 2004 Annual Results

Company Positioned to Deliver Mobile Authentication Services to Mass Market Mobile Device Users in 2005

TORONTO, Canada, February 24, 2005 – Diversinet Corp. (OTCBB: DVNTF), a leading provider of mobile device security for the mobile data ecosystem, today announced its fiscal 2004 results.

For the twelve months ended December 31, 2004, Diversinet reported revenue of \$7,045,000 compared to revenue of \$8,522,000, for the twelve months ended December 31, 2003. The Company reported a net loss of \$7,517,000 or \$(0.62) per share, for the twelve months ended December 31, 2004, compared to a net loss of \$4,959,000 or \$(0.71) per share, for the twelve months ended December 31, 2003. Included in the December 31, 2004 net loss are non-cash items of \$761,000 in stock-based compensation expense, depreciation and amortization of \$936,000 and \$3,025,000 in goodwill impairment charges, totaling \$4,722,000 or 63% percent of the net loss.

The Company recorded revenues of \$1,380,000 in the three months ended December 31, 2004, compared to \$2,332,000, in the same period in the prior year. The net loss for the three months ended December 31, 2004 was \$4,166,000, compared to a net loss for the same quarter in fiscal 2003 of \$2,264,000. Included in the three months ended December 31, 2004 net loss are non-cash items of \$256,000 in stock-based compensation expense, \$336,000 for depreciation and amortization and \$3,025,000 in goodwill impairment charges, totaling \$3,617,000 or 86% percent of the net loss.

During December 2004, the Company successfully raised \$2.65 million through a private placement. The Company had \$2,734,000 in cash and short-term investments as of December 31, 2004. Cash resources used in continuing operations during the three months ended December 31, 2004 amounted to \$861,000, compared to \$757,000 for the fourth quarter of 2003.

2004 was a year of consolidation for Diversinet enabling the company to extend its market viability while maintaining its industry leading mobile device security intellectual capital and property. For 2005, Diversinet management will focus its strategy on harnessing its eight years of research and product development in mobile device security to commercialize mobile-optimized, device-centric strong authentication services. By leveraging its global channel and partner relationships, the company will deliver a suite of standard-based mobile authentication products and services to the global mass market of mobile device users.

To deliver on its strategic initiatives for 2005, Diversinet:

- Focused cost reallocation and financing activities in 2004 to provide the necessary foundation for the execution of its strategy to deliver mobile authentication product and service offerings;
- Successfully secured \$2.65 million in an oversubscribed private placement in December 2004 that included investment from its management, mobile industry executives and micro-cap institutional investors;
- Appointed several new key executives in January 2005 who bring strong mobile industry and operational expertise to the company;

- Concluded important pre-commercial research and development projects in January 2005 to support the initiative for Open AuTHentication (OATH) reference architecture on mobile devices for One-Time-Password (OTP) solutions;

Collaboration with Verisign, RIM, Symbian, PalmSource and Microsoft to further develop mobile authentication services utilizing the OATH reference architecture for mobile devices. Industry partner collaboration support has set the foundation for commercial offerings for 2005 with Diversinet being well positioned as the category leader for mobile authentication services based on OATH.

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About Diversinet

Diversinet is a leading mobile device security provider for the mobile data ecosystem. Diversinet products and services allow users to protect their identity, data and device for personal communications and commercial transactions. The Diversinet MobileSecure Client and suite of Mobile Authentication Services enable application providers, mobile network operators and security service providers to rapidly develop, deploy and manage secure mobile data services for the over 1.5 billion mobile device users worldwide. The Diversinet MobileSecure Client delivers the industry's first open mobile security platform to support OATH-Compliant strong authentication on mobile devices and networks. For more information about the initiative for Open AuTHentication (OATH) please go to www.openauthentication.org. For more information visit www.diversinet.com.

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The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. Certain information included in this press release (as well as information included in oral statements or other written statements made or to be made by the company) contains statements that are forward-looking, such as statements relating to anticipated future revenues of the company and success of current product offerings. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ materially from those expressed in any forward-looking statements made by or on behalf of the company. For a description of additional risks and uncertainties, please refer to the company's filings with the Securities and Exchange Commission.

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