

OTCBB: DVNTF

FOR IMMEDIATE RELEASE:

# **Diversinet Corp. Closes Oversubscribed U.S. \$2.0 Million Private Placement Financing Round**

*Investors Confirm Commitment as Company Sees Concrete Results of Business Development Efforts with Key Partner Distribution and Pre-Commercial Pilots*

TORONTO, ON, September 27, 2005 - Diversinet Corp. (OTCBB: DVNTF), a leading provider of mobile-enabled personal authentication and security solutions, today announced that it has completed the sale and issue of 5,000,000 common shares of the Company by way of private placement at U.S.\$0.40 per common share for gross proceeds of U.S.\$2,000,000. The Company's initial target for the private placement was U.S. \$1,500,000. Significant to the raise was the participation from Diversinet's executive management team, members of Diversinet's Board of Directors, and new and existing institutional investors. In total, insiders represented over 40% of the total raise. Diversinet's new funding will be used for working capital purposes and general operations, including commercialization activities and enhanced product development with channel partners VeriSign and Gemplus as well as direct customers. WR Hambrecht + Co acted as the placement agent.

After completion of the private placement, there are 24,302,941 shares issued and outstanding, and 29,094,514 shares on a fully diluted basis. The common shares cannot be re-sold in the public markets until a registration statement has been filed and declared effective by the U.S. Securities and Exchange Commission. This press release does not represent an offer to buy or to sell any securities.

“Billions of consumer transactions are taking place online and in consumers' hands daily - most without any form of strong authentication - all threatened by the possibility that a malicious attack, abuse or identity theft may happen” said Nagy Moustafa, CEO of Diversinet. “Diversinet is focused on protecting both consumer identity and service provider integrity for these transactions - on any network and on any device - with our industry leading mobile-optimized strong authentication MobiSecure offerings. Our distribution partners, customers and investor community have recognized this by providing Diversinet with the support and resources to capitalize on our technology innovation, market leadership and pending customer engagements.”

The growth in on-line financial transactions and personal activities is threatened by user concerns over security and identity theft. Increasing regulations around the world are

forcing financial institutions, mature content providers, and internet service providers to deploy stronger security services to protect themselves and their customers. Diversinet provides cost-effective strong authentication products and services that reduce identity theft and improve brand trust.

Diversinet's MobiSecure products and services leverage more than 2 billion existing mobile devices and PCs as strong authentication tokens. Diversinet MobiSecure soft tokens and MobiSecure Authentication Service Center are also available on all mobile devices supporting JAVA, Symbian, Windows Mobile, Palm, and RIM operating systems, and personal computers running Microsoft Windows.

Lakefront Partners, LLC subscribed for 725,000 common shares. Jay Wigdale, one of our directors, is the control person of Lakefront Capital Management, LLC, the manager of Lakefront. Prior to the completion of this transaction, Lakefront beneficially owned 2,517,795 common shares of Diversinet, and Mr. Wigdale owned 330,000 common shares and purchase warrants for 1,400,000 Diversinet common shares, collectively representing 20.52% of all issued and outstanding shares of Diversinet, presuming the exercise of the warrants (14.6% without giving effect to the exercise of the warrants). As a result of the transaction, Lakefront, together with Mr. Wigdale, beneficially owned, as of September 27, 2005, a total of 3,572,795 common shares and purchase warrants convertible into 1,400,000 common shares, together representing approximately 19.35% of the issued and outstanding common shares of Diversinet, presuming the exercise of such warrants.

Neither Lakefront nor Mr. Wigdale currently has any intention of increasing their ownership in the common shares of Diversinet other than pursuant to exercise of the warrants disclosed therein. Both Lakefront and Mr. Wigdale have offices located at 205 E. Wisconsin Avenue, Suite 220, Milwaukee, WI 53202. Lakefront and Mr. Wigdale may be deemed to be acting jointly or in concert in respect to their security holdings of Diversinet.

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#### **About Diversinet (OTCBB: DVNTF)**

Diversinet is a leading provider of mobile-enabled personal authentication and security solutions for consumer and enterprise applications. Diversinet products and services protect a user's identity, data and device for personal communications and commercial transactions. Diversinet's MobiSecure soft token and MobiSecure Authentication Service Center enable application providers, mobile network operators and security service providers to rapidly develop, deploy and manage secure on-line services for the over 2 billion mobile device and PC users worldwide. MobiSecure is the industry's first open mobile security platform to support OATH-compliant strong authentication on mobile devices and personal computers. For more information about the initiative for Open AuTHentication (OATH) visit [www.openauthentication.org](http://www.openauthentication.org). Connect with Diversinet Corp. at [www.diversinet.com](http://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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