

Diversinet Reports Third Quarter 2007 Financial Results

Blue Cross of Northeastern Pennsylvania Wallet/Vault License Agreement and Equity Investment Highlight Q3 Results

TORONTO, Canada, November 1, 2007 – Diversinet Corp. (OTCBB: DVNTF), a leading provider of wireless data application and security infrastructure products and services, today announced financial results for the third quarter of 2007. During the quarter Diversinet's revenues increased and cash used in operations was reduced as compared to the same prior year quarter.

Revenues for the third quarter were \$1,262,000, up 192 percent compared to \$432,000 for the third quarter of 2006 and up 24 percent compared to \$1,017,000 in the second quarter of 2007. Revenues for the nine months ended September 30, 2007 were \$3,185,000, up 131 percent from \$1,381,000 in the same period in 2006. In August 2007 Diversinet entered into a three year license and revenue share agreement to provide its MobiSecure Wallet and Vault mobile secure access solution to AllOne Health Group, Inc., a subsidiary of Blue Cross of Northeastern Pennsylvania. Revenues generated from this agreement contributed significantly to third quarter results. Cash used in operations for the quarter was \$8,000 compared to \$427,000 used in the prior year quarter and \$653,000 used in the second quarter of 2007. All dollar amounts are in U.S. dollars.

The net loss for the third quarter of 2007 was \$730,000, or \$0.02 per share, compared to a net loss of \$932,000 or \$0.03 per share in the third quarter of 2006. The net loss for the nine months ended September 30, 2007 was \$2,107,000, or \$0.06 per share, compared to a net loss of \$2,401,000 or \$0.08 per share in the similar nine months of 2006. Included in the third quarter net loss are non-cash stock-based compensation, depreciation and amortization of \$467,000 (\$383,000 in the third quarter of 2006) and an accrual of legal costs of \$375,000 relating to the settlement of the Instant Publisher lawsuit. The Instant Publisher lawsuit initiated in 2000 was settled in October and represents the last outstanding legal action against the Company. Cash and cash equivalents at September 30, 2007 were \$8,919,000 and \$5,146,000 at December 31, 2006.

Company, customer, and product solution highlights include:

- In August 2007 Diversinet entered into a license and revenue share agreement to provide its MobiSecure Wallet and Vault mobile secure access solution to AllOne Health Group, to cross license certain software and share revenues from the sales of the combined software. Under the three year agreement, Diversinet will receive a minimum of \$2 million annually as a minimum commitment from AllOne. Diversinet and AllOne will initially focus on potential sales from the Blue Cross Blue Shield Association licensees and other customers looking to mobilize personal health records in the United States.
- In August 2007 Diversinet completed a private placement of 6,756,757 common shares at \$0.74 per common share, for gross proceeds of \$5,000,000 to Hospital

Service Association of Northeastern Pennsylvania, d/b/a Blue Cross of Northeastern Pennsylvania (“BCNEPA”). William Reed, executive vice president of BCNEPA has joined the Diversinet Board of Directors.

“Our recent success with BCNEPA and Intersections demonstrates the value proposition our Wallet and Vault product creates for businesses looking to bring secure, value added applications to the mobile device. We are finalizing the go-to-market product and expect to be live in early 2008”, stated CEO and Chairman of Diversinet Albert Wahbe. “Revenues and cash utilization will continue to fluctuate on a quarter to quarter basis until we go into full production with customers. Cash used in operations of \$8,000 provides us with substantially improved results that should continue to improve as we drive additional future revenues. We are continuing to build out our product offering and distribution network to deliver valuable customer applications in the marketplace.”

About Diversinet

Diversinet Corp. (OTCBB: DVNTF) is a leading provider of wireless authentication and access solutions that secure the personal identity, transactions and data of consumers over almost any mobile phone or handheld device. Diversinet’s reliable, end-to-end OTP (one-time password) solutions enable cost-effective strong authentication and instant and secure access to critical personal records, helping businesses reduce identity theft, expand customer offerings, increase revenues and comply with regulations. Connect with Diversinet Corp. at www.diversinet.com.

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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 is made pursuant to the “safe harbor” provisions of the US Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation and are subject to important risks, uncertainties and assumptions 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 (including its annual report and financial statements) with the Securities and Exchange Commission and SEDAR.

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Diversinet Corp.
CONSOLIDATED BALANCE SHEETS
[expressed in United States dollars]

	September 30 2007 \$	December 31 2006 \$
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	8,918,743	5,146,315
Accounts receivable, net (note 3)	217,129	154,109
Prepaid expenses	18,740	141,081
Total current assets	9,154,612	5,441,505
Capital assets, net (note 4)	388,829	388,723
Total assets	9,543,441	5,830,228
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	157,237	172,291
Accrued liabilities (note 5)	885,011	633,661
Deferred revenue	240,495	938,550
Total current liabilities	1,282,743	1,744,502
Commitments and contingencies (note 10)		
Shareholders' equity		
Share capital (note 6)	64,629,317	58,414,036
Contributed surplus	5,332,337	3,646,283
Share purchase warrants (note 6)	1,672,073	3,291,832
Deficit	(61,852,308)	(59,745,704)
Accumulated other comprehensive income:		
Cumulative translation adjustment	(1,520,721)	(1,520,721)
Total shareholders' equity	8,260,698	4,085,726
Total liabilities and shareholders' equity	9,543,441	5,830,228

See accompanying notes to interim consolidated financial statements.

Diversinet Corp.**CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT AND COMPREHENSIVE INCOME (LOSS)**

[expressed in United States dollars]

(Unaudited)

	Three months ended		Nine months ended	
	September 30		September 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
Revenues	1,262,063	431,521	3,184,907	1,381,369
Cost of revenues	64,238	245,196	167,134	990,755
Gross margin	1,197,825	186,325	3,017,773	390,614
Expenses				
Research and development	465,137	342,671	1,570,202	515,479
Sales and marketing	420,132	111,820	979,631	511,436
General and administrative	1,055,941	654,614	2,557,624	1,687,270
Depreciation and amortization	30,028	42,759	86,702	121,531
	1,971,238	1,151,864	5,194,159	2,835,716
Loss before the undernoted	(773,413)	(965,539)	(2,176,386)	(2,445,102)
Foreign exchange loss (gain)	28,172	(4,436)	75,672	3,174
Interest income	(71,203)	(29,230)	(145,454)	(47,489)
Loss for the period and comprehensive income (loss)	(730,382)	(931,873)	(2,106,604)	(2,400,787)
Deficit, beginning of period	(61,121,926)	(57,763,901)	(59,745,704)	(56,294,987)
Loss for the period	(730,382)	(931,873)	(2,106,604)	(2,400,787)
Deficit, end of period	(61,852,308)	(58,695,774)	(61,852,308)	(58,695,774)
Basic and diluted loss per share (note 8)	(0.02)	(0.03)	(0.06)	(0.08)
Weighted average common shares outstanding	37,059,788	32,717,313	35,108,539	28,630,938

See accompanying notes to interim consolidated financial statements.

Diversinet Corp.
CONSOLIDATED STATEMENTS OF CASH FLOWS
[expressed in United States dollars]
(Unaudited)

	Three months ended		Nine months ended	
	September 30		September 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Loss for the period	(730,382)	(931,873)	(2,106,604)	(2,400,787)
Items not involving cash:				
Depreciation and amortization	30,028	42,759	86,702	121,532
Stock-based compensation expense (note 7)	437,341	339,942	748,928	816,068
Changes in non-cash operating working capital:				
Accounts receivable	(141,054)	(127,252)	(63,020)	(139,250)
Prepaid expenses	17,667	22,134	122,341	64,609
Work in progress	-	149,905	-	(100,000)
Accounts payable	(108,090)	12,294	(15,054)	60,782
Accrued liabilities	363,323	(41,088)	344,449	(30,085)
Deferred revenue	123,364	106,550	(698,055)	48,550
Cash used in operating activities	(7,803)	(426,629)	(1,580,313)	(1,558,581)
FINANCING ACTIVITIES				
Issue of common shares, compensation options, warrants	4,973,379	1,061,287	5,439,549	5,055,236
Cash provided by financing activities	4,973,379	1,061,287	5,439,549	5,055,236
INVESTING ACTIVITIES				
Purchase of capital assets	(8,466)	(57,704)	(86,808)	(62,346)
Cash used in investing activities	(8,466)	(57,704)	(86,808)	(62,346)
Net increase in cash and cash equivalents during the period	4,957,110	576,954	3,772,428	3,434,309
Cash and cash equivalents, beginning of the period	3,961,633	4,212,917	5,146,315	1,355,562
Cash and cash equivalents, end of the period	8,918,743	4,789,871	8,918,743	4,789,871
Supplementary non-cash transactions				
Issuance of shares to employees (note 6(a)(iii))	-	-	131,019	-
Issuance of shares for public relations services (note 6(a)(iv))	11,395	-	46,045	-

Cash and cash equivalents include cash on account and short-term investments in money market instruments with original maturities of 90 days or less when acquired.

See accompanying notes to interim consolidated financial statements.