

## **Diversinet Reports Second Quarter 2009 Financial Results**

*Fourth Consecutive Quarter of Profitability*

*Quarterly Revenues up 244%*

**TORONTO, Canada, July 31, 2009** – Diversinet Corp. (TSX Venture: DIV, OTCBB: DVNTF), a leading provider of secure application platforms for the mobile world, today announced financial results for the second quarter of 2009. All dollar amounts are in U.S. dollars.

Revenues for the second quarter were \$1,945,000, up 244% percent compared to \$565,000 in the second quarter of 2008. Revenues for the six months ended June 30, 2009 were \$3,955,000, up 336% from \$906,000 in the same period in 2008. The Q2 2009 revenues include \$1,625,000 from the \$40 million five-year worldwide license and revenue share agreement with AllOne Mobile Corporation (“AllOne”) signed in Q3 2008.

The net income for the second quarter of 2009 was \$1,056,000 or \$0.02 per share, compared to a net loss of \$1,205,000, or \$0.03 per share in the second quarter of 2008. The net income for the six months ended June 30, 2009 was \$1,238,000, or \$0.03 per share, compared to a net loss of \$2,363,000 or \$0.05 per share in the similar six months of 2008. Included in the second quarter net income are non-cash stock-based compensation, depreciation and amortization of \$259,000 (\$304,000 in Q2 2008). Also included in the second quarter net income is a foreign exchange gain of \$707,000 (\$15,000 gain in Q2 2008). Cash and cash equivalents at June 30, 2009 were \$10,671,000 and \$10,719,000 at March 31, 2009.

Albert Wahbe, CEO and Chairman stated “First and foremost is the continued strength of our balance sheet and the achievement of our fourth consecutive profitable quarter - both represent significant achievements for Diversinet. We believe that 2009 will be our first profitable year since our founding twelve years ago. From a business perspective, 2009 will continue to be measured by our and AllOne’s ability to negotiate pilots and strategic partnerships as we wait for the wireless health care market to emerge. While we would like to see the market evolve faster, we have noticed an increase in telehealth activity over the last three months. From a competitive standpoint, we believe Diversinet is a leading secure application platform for the mobile world. Through our partnership with AllOne Mobile we have established exciting new relationships with Microsoft HealthVault and the U.S. Army, establishing a credible footprint. Additionally, we have several U.S. and international activities that I am confident will emerge during the second half of 2009. Please note that Diversinet is providing technology leadership in the telehealth segment that is still in its infancy and evolving rapidly. While our technology is available for deployment, our growth is ultimately reliant upon market adoption. We continue to believe that we can make additional progress in the health care industry even in these challenging economic times and believe the U.S. commitment to spend up to \$31 billion dollars on U.S. health care information technology over the next 10 years will be a positive catalyst for AllOne and Diversinet. With this momentum, we expect to launch an investor relations program later this year.”

Company, customer and product solution highlights include:

- During May 2009, the AllOne Mobile secured by Diversinet and MyHealth Mobile application (for BlueCross of Northeast Pennsylvania members) was approved and is now available on the Verizon BREW application deck for download.
- During May 2009, the AllOne Mobile secured by Diversinet product went live with a secure mobile consumer direct PHR (personal health record) solution that is offered by Microsoft's HealthVault. The product is now available for purchase for \$25 per year. Visit HealthVault's website to purchase our innovative solution today at <http://healthvault.com/websites/AllOneHealth-AllOneMobile.html?type=application>.
- During June 2009, the AllOne Mobile secured by Diversinet product went live on the iTunes App Store offering three iPhone apps available for download. The applications are for AllOne Mobile, MyHealth Mobile and mCare. The mCare application is for use in a U.S. Army pilot that creates a challenge response secure session with the wounded warrior for interactive feedback. The AllOne Mobile direct to consumer application for Microsoft's HealthVault is anticipated to be available in August.
- During June 2009, after successful implementation of our U.S. Army pilot our combined solution was moved behind the Army's firewall and the pilot metrics expanded. An early positive sign. AllOne Mobile's platform is anticipated to support the rehabilitation needs of up to 10,000 returning soldiers in a phased implementation over the next year.
- Diversinet was awarded an additional U.S. Patent No. 7,555,460 entitled "Payment system and method using tokens" on June 30, 2009. The patent provides a method for collecting payment over the internet by a third party for services using secure digital tokens issued by a third party. The new patent addresses several security and fraud issues related to the use of credit card payments over the internet. Diversinet's patent portfolio now includes 12 patents and 24 patents pending.
- During April 2009, the AllOne Mobile Secured by Diversinet product (that utilizes MobiSecure Wallet and Vault) won the Info Security Products Guide 2009 Global Product Excellence Award for Security solution for health.

### **About Diversinet**

Diversinet Corp. (TSX Venture: DIV, OTCBB: DVNTF) is a leading provider of secure application platforms for the mobile world utilizing 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 MobiSecure Wallet and Vault products provide global, secure and cost effective applications to mobilize personal health records, financial services transactions and identity protection management. Connect with Diversinet Corp. at [www.diversinet.com](http://www.diversinet.com).

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*The Private Securities Litigation Reform Act of 1995 and Canadian securities laws provide a “safe harbour” 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 and the term of the agreement with AllOne Mobile Corporation. 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 available at [www.sec.gov](http://www.sec.gov) and Canadian securities regulatory authorities available at [www.sedar.com](http://www.sedar.com).*

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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

	<b>June 30</b>	December 31
	<b>2009</b>	2008
	\$	\$
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	<b>10,671,462</b>	12,075,422
Accounts receivable (note 2(c))	<b>217,307</b>	-
Prepaid expenses	<b>42,029</b>	57,346
<b>Total current assets</b>	<b>10,930,798</b>	12,132,768
Property and equipment, net (note 4)	<b>241,745</b>	255,264
<b>Total assets</b>	<b>11,172,543</b>	12,388,032
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	<b>177,615</b>	168,078
Accrued liabilities (note 5)	<b>170,465</b>	511,961
Deferred revenues	<b>35,833</b>	2,646,356
<b>Total current liabilities</b>	<b>383,913</b>	3,326,395
<b>Shareholders' equity</b>		
Share capital (note 6)	<b>68,168,993</b>	68,099,993
Contributed surplus	<b>8,030,183</b>	7,596,686
Share purchase warrants (note 6)	-	13,687
Deficit	<b>(63,889,825)</b>	(65,128,008)
Accumulated other comprehensive income:		
Cumulative translation adjustment	<b>(1,520,721)</b>	(1,520,721)
<b>Total shareholders' equity</b>	<b>10,788,630</b>	9,061,637
<b>Total liabilities and shareholders' equity</b>	<b>11,172,543</b>	12,388,032

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

[in United States dollars]

(Unaudited)

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
	\$	\$	\$	\$
Revenues	<b>1,944,683</b>	564,709	<b>3,954,958</b>	906,304
Cost of revenues	<b>42,491</b>	68,760	<b>84,428</b>	150,823
Gross margin	<b>1,902,192</b>	495,949	<b>3,870,530</b>	755,481
Expenses				
Research and development	<b>689,483</b>	715,048	<b>1,346,959</b>	1,343,071
Sales and marketing	<b>379,198</b>	486,344	<b>758,717</b>	896,301
General and administrative	<b>472,904</b>	525,411	<b>912,384</b>	971,866
Depreciation and amortization	<b>18,799</b>	26,494	<b>36,631</b>	52,040
	<b>1,560,384</b>	1,753,297	<b>3,054,691</b>	3,263,278
Income (loss) before the following	<b>341,808</b>	(1,257,348)	<b>815,839</b>	(2,507,797)
Foreign exchange gain	<b>706,820</b>	15,101	<b>383,778</b>	36,502
Interest income	<b>7,133</b>	37,735	<b>38,566</b>	108,142
<b>Net income (loss) for the period and comprehensive net income (loss)</b>	<b>1,055,761</b>	(1,204,512)	<b>1,238,183</b>	(2,363,153)
<b>Deficit, beginning of period</b>	<b>(64,945,586)</b>	(64,337,316)	<b>(65,128,008)</b>	(63,178,675)
Net income (loss) for the period	<b>1,055,761</b>	(1,204,512)	<b>1,238,183</b>	(2,363,153)
<b>Deficit, end of period</b>	<b>(63,889,825)</b>	(65,541,828)	<b>(63,889,825)</b>	(65,541,828)
Basic and diluted earnings (loss) per share	<b>0.02</b>	(0.03)	<b>0.03</b>	(0.05)
Weighted average basic common shares outstanding	<b>47,106,935</b>	43,242,783	<b>47,069,642</b>	43,242,783
Weighted average fully diluted common shares outstanding (note 7)	<b>47,221,687</b>	43,242,783	<b>47,106,527</b>	43,242,783

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

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net income (loss) for the period	1,055,761	(1,204,512)	1,238,183	(2,363,153)
Add (deduct) items not requiring an outlay of cash:				
Depreciation and amortization	18,799	26,494	36,631	52,040
Foreign exchange (gain) loss	(646,724)	(15,334)	(343,577)	(6,591)
Stock-based compensation expense (note 6(c))	240,665	277,815	488,810	479,469
	<b>668,501</b>	<b>(915,537)</b>	<b>1,420,047</b>	<b>(1,838,235)</b>
Changes in non-cash working capital:				
Accounts receivable	(168,987)	-	(217,307)	122,687
Prepaid expenses	(1,183)	11,306	15,317	20,319
Accounts payable	37,497	83,099	9,537	29,943
Accrued liabilities	(28,680)	68,080	(341,496)	(523,735)
Deferred revenue	(1,185,834)	34,942	(2,610,523)	(59,027)
<b>Cash used in operations</b>	<b>(678,686)</b>	<b>(718,109)</b>	<b>(1,724,425)</b>	<b>(2,248,048)</b>
<b>FINANCING ACTIVITIES</b>				
Issue of common shares on exercise of warrants for cash	-	1,725,000	-	1,725,000
<b>Cash provided by financing activities</b>	<b>-</b>	<b>1,725,000</b>	<b>-</b>	<b>1,725,000</b>
<b>INVESTING ACTIVITIES</b>				
Purchase of property and equipment	(15,463)	(12,631)	(23,112)	(13,915)
<b>Cash used in investing activities</b>	<b>(15,463)</b>	<b>(12,631)</b>	<b>(23,112)</b>	<b>(13,915)</b>
Foreign exchange gain on cash held in foreign currency	646,724	15,334	343,577	36,502
<b>Net change in cash and cash equivalents during the period</b>	<b>(47,425)</b>	<b>1,009,593</b>	<b>(1,403,960)</b>	<b>(530,372)</b>
Cash and cash equivalents, beginning of the period	10,718,887	6,854,321	12,075,422	8,394,286
<b>Cash and cash equivalents, end of the period</b>	<b>10,671,462</b>	<b>7,863,914</b>	<b>10,671,462</b>	<b>7,863,914</b>
Supplemental cash flow information:				
Interest received	7,133	37,735	38,566	108,142
Supplemental disclosure relating to non-cash financing and investing activities:				
Issuance of shares to employees (note 6(a))	41,250	42,000	69,000	71,499
Cash and cash equivalents is comprised of:				
Cash			646,657	2,356,432
Cash equivalents			10,024,805	5,507,482
			<b>10,671,462</b>	<b>7,863,914</b>