

Diversinet Reports Second Quarter 2010 Financial Results

TORONTO, Canada, July 30, 2010 – Diversinet Corp. (TSX Venture: DIV, OTCBB: DVNTF), a leading innovator of secure mobile applications, reported its second quarter 2010 results for the period ended June 30, 2010. All dollar amounts are in U.S. dollars.

Financial Highlights

Revenues for the second quarter were \$3.8 million, compared to \$1.9 million in the same quarter a year ago. Revenues for the six months ended June 30, 2009 were \$4.4 million, up 12% from \$3.9 million in the same period in 2009. Revenues in the second quarter of 2010 included \$3.4 million from the settlement agreement with AllOne Mobile Corporation (“AllOne”) and \$330,000 from the company’s license and VAR agreement with Intersections, Inc.

Net income for the quarter was \$5.3 million or \$0.11 per share, compared to net income in the same year-ago quarter of \$1.1 million or \$0.02 per share. The net income for the six months ended June 30, 2010 was \$4.3 million, or \$0.09 per share, compared to \$1.2 million or \$0.03 per share in the similar six months of 2009.

Included in the second quarter net income was non-cash stock-based compensation, depreciation and amortization of \$223,000 versus \$259,000 in Q2 2009 and a foreign exchange loss of \$210,000 versus a \$707,000 gain in Q2 2009. The company recognized other income of \$3.6 million from the settlement with AllOne including the return of the company’s common shares from HSA.

Cash and cash equivalents at June 30, 2010 were \$14.5 million as compared to \$12.7 million at December 31, 2009.

Operational Highlights

- In June 2010, AllOne and its parent company, AllOne Heath Group, Inc. (“AHG”), and Diversinet entered into a Settlement and Mutual Release Agreement whereby the 2008 license and revenue sharing agreement was terminated, including any future revenue sharing obligations and AllOne paid Diversinet \$4 million. Additionally, the parent company of AHG, Hospital Service Association of Northeastern Pennsylvania, d/b/a Blue Cross of Northeastern Pennsylvania (“HSA”), returned to Diversinet all of the common shares of Diversinet it owned, totalling 6,956,152 shares for cancellation, representing a reduction of approximately 14% of the issued and outstanding number of common shares. At the end of the second quarter there were 41.9 million issued and outstanding common shares. Furthermore, under the Settlement and Mutual Release Agreement the Stock Purchase Agreement dated August 31, 2007 between HSA and Diversinet was terminated, including certain common share put rights and board representation rights of HSA. Diversinet also retains complete ownership and control over its related intellectual property developed during the term of the 2008 license and revenue sharing agreement.
- In April 2010, Diversinet was awarded two new patents to provide wireless carriers, device vendors and other members of the mobile ecosystem advanced methods for resolving two of the industry’s biggest problems: security and fragmentation. U.S. Patent No. 7,680,755 covers the automatic detection and classification of a mobile device, such as a smartphone or feature phone. The second patent, Canadian Patent No. 2,365,441, provides unprecedented security for mobile digital communications of information, like those involved in financial transactions and maintaining patient health care records. With the award of these two new patents, Diversinet’s intellectual property portfolio has 14 patents in the U.S., Canada and Israel, with 35 patents pending.
- At the end of June, Colonel Ronald Poropatich, M.D., the deputy director of the U.S. Army’s Telemedicine and Advanced Technology Research Center, part of the U.S. Army Medical Research and Materiel Command, provided the House Veterans’ Affairs Health Subcommittee hearing on wireless health technologies the latest results from the adoption of mCare, the Army’s

mobile health application for wounded warriors that is powered by Diversinet. As of June 1, 2010, mCare has delivered over 18,500 messages to more than 300 “warriors in transition.” The initial rollout of mCare has been to patients assigned to five sites in Alabama; Florida; Illinois; Massachusetts; and Virginia. Four additional sites for mCare are currently under consideration.

- In May 2010, Diversinet hired Mark Trigsted to the new position of executive vice president, healthcare, with responsibilities for global business development and sales. Mr. Trigsted will lead the expansion of Diversinet’s partner network and customer base in the rapidly growing market for mobile healthcare applications that easily and securely connect people with their healthcare information, providers and payers.

“This quarter marked the beginning of a third stage for Diversinet,” said the company’s chairman and CEO, Albert Wahbe. “Our first task was to secure the mobile infrastructure and build secure mobile applications. We established our technology across all existing mobile technologies, including iPhone, Android, BlackBerry or PCs and others, and we demonstrated these applications are highly secure and connected for the mobile world.”

“Our subsequent relationships with Intersections and AllOne Mobile represented our second stage, where we rolled out our technology to live users. AllOne was particularly important, because they introduced us to the healthcare industry and helped with our mobile health care application.

“Now we have entered a third, very exciting stage. In this recent quarter as a result of the termination of the AllOne license and revenue sharing agreement we can now pursue the many opportunities in mobile healthcare. We are well financed, have proven product in the field, and own all of our intellectual property. In addition to the tremendous progress of mCare reported by the Army in June, we are up and running with a number of pilots. And our new executive vice president, Mark Trigsted, has set a new pace in developing our global business message of ‘Healthcare. Connected and Protected.’”

Financial Summary

	<u>Q2 2010</u>	<u>Q2 2009</u>
Revenues	\$3,856,460	\$1,944,683
Cost of revenues	993	42,491
Gross margin	3,855,467	1,902,192
Expenses		
Research and development	970,172	689,483
Sales and marketing	387,315	379,198
General and administrative	534,243	472,904
Depreciation and amortization	16,276	18,799
	<u>1,908,006</u>	<u>1,560,384</u>
Income (loss) before the undernoted	1,947,461	341,808
Foreign exchange gain (loss)	(210,332)	706,820
Interest income	12,036	7,133
Other income	3,560,707	-
Net income for the period	<u>\$5,309,872</u>	<u>\$1,055,761</u>
Basic and diluted earnings per share	\$0.11	\$0.02
Cash and cash equivalents	\$14,524,336	\$10,671,462
Total assets	\$14,763,853	\$11,172,543
Total current liabilities	\$616,545	\$383,913
Total shareholders’ equity	\$14,147,308	\$10,788,630
Weighted average basic common shares outstanding	47,721,191	47,106,935
Weighted average fully diluted common shares outstanding	47,721,191	47,221,687

For complete financial statements, including the notes and management's discussion and analysis, please visit the investors section on our website at www.diversinet.com/AboutUs/Investors.html.

About Diversinet

Diversinet Corp. (TSX Venture: DIV, OTCBB: DVNTF) provides the healthcare industry with applications that securely connect people with their healthcare information, providers and payers – anyway, anytime and anywhere. Diversinet's reliable, end-to-end MobiSecure platform offers global, secure and cost-effective applications to meet rapidly growing needs for mobile personal health records. Connect with Diversinet Corp. at www.diversinet.com. Healthcare. Connected and Protected.

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 the 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 available at www.sec.gov and Canadian securities regulatory authorities available at 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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