



SOURCE: DIAGNOS INC.

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DIAGNOS ANNOUNCES CHANGES TO CERTAIN OF THE TERMS OF ITS PROPOSED FINANCING OF UP TO \$2 MILLION IN CONVERTIBLE DEBENTURES

MONTREAL, QUEBEC – Diagnos Inc. ("**Diagnos**" or the "**Corporation**") today announced changes to certain of the terms of its proposed private placement of up to \$2,000,000 in aggregate principal amount of convertible debentures (the "**Debentures**"). A press release disclosing the characteristics of Debentures was issued on April 23, 2001.

The changes to the terms of the Debentures can be summarised as follows:

- The conversion price has been reduced from \$0.67 to \$0.50 per unit;
- The exercise price of the warrants has been reduced from \$0.80 to \$0.60 per common share; and
- The Corporation can no longer force the conversion of Debentures.

The changes to the terms of the proposed financing described above have been made by the Corporation in response to market feedback, in order to better reflect the market price of the Corporation's common shares. As a result of the change in the conversion price, each \$1,000 in principal amount of Debentures would now be convertible into approximately 2,000 units, instead of 1,493. Each unit continues to be comprised of one common share and one half of one common share purchase warrant. No changes have been made to any of the other terms of the Debentures financing.

Consistent with the changes described above, the exercise price of the compensation warrant issuable to Wellington West Capital, as agent, has also been changed to \$0.50 from \$0.67 per common share.

Based on currently available information, Diagnos believes that none of the subscribers are insiders of the Corporation. These proposed changes to the private placement are subject to receipt of all required regulatory approvals, as well as the negotiation and execution of formal documentation, including an agency agreement with the Agent and subscription agreements with subscribers.

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

This press release contains forward-looking statements, which reflect the Corporation's current expectations regarding future events. The forward-looking statements involve risks and uncertainties. Actual events could differ materially from those projected herein. Investors should consult the Corporation's ongoing quarterly filings, annual reports and other filings for additional information on risks and uncertainties relating to these forward-looking statements. The reader is cautioned not to rely on these forward-looking statements. The Corporation disclaims any obligation to update these forward-looking statements.

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