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Source: DIAGNOS Inc.

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DIAGNOS Healthcare's Commercialization of CARA Passes \$1M in Bookings

Brossard, Quebec, Canada – October 2nd, 2014 - DIAGNOS Inc. (“DIAGNOS” or “the Corporation”) (TSX Venture: ADK), leader in healthcare technical services including, screening, software and algorithm development, data analysis, and image processing, announces today a first half fiscal-year update on the commercialization of CARA.

The CARA suite of applications and services allows the different players in the diabetes screening process to make better informed decisions in the detection of diabetic retinopathy and extend cost-effective care to a larger patient population. Diabetic retinopathy is the most common diabetic eye disease and a leading cause of blindness around the world. It is a treatable disease that, as with most diseases, has a higher treatment success rate in its earlier stages. However, there are generally no symptoms until the disease has progressed to more severe stages, making early detection methods critical to helping prevent vision loss. According to the International Diabetes Federation, there are 382 million people suffering from diabetes worldwide.

Management at DIAGNOS confirms the following sales activities of CARA during the first half of its current fiscal year: (1) an additional growth of 350% in the UAE since November 2013; (2) the successful execution of field trials with prospective clients, influencers, and key opinion leaders; (3) the signing sales agreements with established local representatives in India; (4) the signing sales agreements in the USA, Argentina, Turkey and Eastern Europe completing sales in the first half of the fiscal year; (5) the preparation of formal scientific publications of CARA results in peer-reviewed journals through the execution of formal external clinical trials.

“During the first half of current fiscal year, DIAGNOS’ Healthcare business unit focused on increasing its sales efforts worldwide and refining the CARA technology platform including continued improvement and testing of algorithms along with the completion of its V4 Web interface and image transfer software version. The sales efforts have increased due to the addition of new business development employees including Guillermo Moreno as Business Development Manager Latin America and Martin Béland and Business Development Manager for Canada, USA and other countries. Based on the projected volume of images, contracts signed in the first half of our current fiscal year have now passed the \$1M mark and our sales funnel is increasing” said André Larente, DIAGNOS’ President.

The Corporation’s management is confident that CARA will generate new streams of revenues based on these factors:

- All diabetics need to be screened annually for diabetic retinopathy to reduce the risk of visual impairment and ultimately blindness. Annual screening via CARA is not only a good way to catch the disease early, but also monitor the progression of existing disease. Additionally, pathology detected in the retina can be an indicator of other co-morbidities, making retina screening a useful tool for doctors to use when talking to their patients about diabetes.
- Screening of diabetic patients for the presence of retinopathy is currently done, for the most part, manually by ophthalmologists and is therefore not optimized to efficiently and cost-effectively handle the burgeoning diabetic population. Worldwide, the number of ophthalmologists available to perform screening is inadequate to handle the volume of diabetic patients whom require screening.



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- A telemedicine program like CARA creates several efficiencies, including (1) the reduction of congestion at tertiary health centres (2) the optimization of specialist time (3) better health outcomes for diabetics and (4) cost savings to the health care system.

About CARA

CARA is a tele-ophthalmology platform that integrates with existing equipment (hardware and software) and processes at the point of care (POC) and comprises: image upload, image enhancement automated pre-screening, grading by a specialist, and referral to a specialist. CARA's image enhancement algorithms make standard retinal images sharper, clearer, and easier to read. CARA is accessible securely over the Internet, and is compatible with all recognized image formats and brands of fundus cameras. CARA is a cost-effective tool for processing large numbers of images, in real-time and has been issued a licence by Health Canada for commercialization in Canada.

About DIAGNOS

Founded in 1998, DIAGNOS is a publicly traded Canadian corporation with a mission to commercialize technologies combining contextual imaging and traditional data mining thereby improving decision making processes. DIAGNOS offers products, services, and solutions to clients in a variety of fields including natural resources, healthcare, and entertainment.

Forward-looking information

This document contains forward-looking information. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in these statements.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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