



For immediate distribution
Source: DIAGNOS Inc.

2015.07.30

DIAGNOS Closes Private Placement of Convertible Debentures

Brossard, Quebec, Canada – July 30, 2015 - DIAGNOS Inc. (“DIAGNOS” or “the Corporation”) (TSX Venture: ADK), a leader in healthcare technical services including screening, software and algorithm development, data analysis, and image processing, is pleased to announce the closing of a private placement (“Private Placement”) for \$1.59 million of Senior Secured Convertible Debentures (each a “Debenture”), initially announced on June 30, 2015. As of this date, the Corporation has received subscription commitments for an additional \$700,000. It expects to close this second tranche of the Private Placement on or about August 7, 2015, for gross total proceeds of at least \$2.29 million. Net proceeds from the Private Placement will be used to fund business development and product development of healthcare services, as well as for general corporate and working capital purposes.

The Debentures bear interest at an annual rate of 10%, and will mature on July 29, 2019 (the “Maturity Date”). Interest on the Debentures is calculated from their date of issue and will be paid quarterly in arrears beginning October 29, 2016. The first year of interest will be paid at the Maturity Date and will be compounded annually.

At the sole option of the holders of the Debentures, the principal amount of the Debentures may be converted at any time, in whole or in part, into common shares of the Corporation (“Common Shares”) at a price of \$0.10 per Common Share. Any accrued interest on the principal, at time of conversion, will be immediately payable in cash.

As previously announced, the Corporation retained the services of Bloom Burton & Co. Limited (“Bloom Burton”) to act as its exclusive agent in connection with the Private Placement. Under the terms of an agency agreement entered into between Bloom Burton and the Corporation (the “Agency Agreement”), Bloom Burton and other brokers received a commission in cash of \$48,300 and were issued 322,000 brokers warrants (each a “Warrant”) equal to the amount of commission paid divided by \$0.15. Each Warrant is exercisable for one Common Share at a price of \$0.15 per Common Share over a two-year period ending July 29, 2017. The Warrants are non-transferable.

The Corporation also entered into a finder’s fee agreement (the “Agreement”) with First Republic Capital Corporation (“First Republic”) under similar terms to the Agency Agreement. In accordance with the Agreement, First Republic will receive a commission in cash of \$14,000 and 93,333 Warrants bearing the same terms, conditions and exercise price as the Warrants issued to Bloom Burton and the other brokers. The Warrants issued to First Republic also expire on July 29, 2017.

The Debentures, the Warrants, and the underlying Common Shares are subject to a four-month hold period from the closing date ending on November 30, 2015.

The Private Placement remains subject to the final approval of the TSX Venture Exchange.

All monies quoted in this press release were stated and paid in lawful money of Canada.



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About DIAGNOS

DIAGNOS is a publicly-traded Canadian corporation with a mission to improve the quality of patients' lives and minimize the economic burden of vision loss. Computer Assisted Retinal Analysis (CARA) is the Company's proprietary 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, and is EMR compatible. CARA is a cost-effective tool for screening large numbers of patients, in real-time and has been approved by regulatory authorities including Health Canada, the U.S. Food and Drug Administration, and the European Union.

Forward-looking information

This document contains forward-looking information that involves risks and uncertainties, including without limitation, statements pertaining to the Private Placement and its use of proceeds. 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. Unless required under law, DIAGNOS will not update this forward-looking information to reflect new events or circumstances

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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