



DIAGNOS

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OTCQB: DGNOF
TSXV: ADK
SOURCE: DIAGNOS Inc.

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DIAGNOS Announces Closing of Private Placement

Brossard, Quebec, Canada – September 1, 2022 – DIAGNOS Inc. (“DIAGNOS” or the “Corporation”) (TSX Venture: ADK) (OTCQB: DGNOF), a leader in early detection of critical health issues through the use of its FLAIRE platform based on Artificial Intelligence (AI), announces that it has closed a non-brokered private placement (“Private Placement”) of 35 units (each a “Unit”) issued at a price of \$10,000 per Unit for gross proceeds of \$350,000.

Each Unit consists of:

- (i) One unsecured convertible Debenture (each a “Debenture”), and
- (ii) 10,000 stock warrants (each a “Warrant”).

Each Debenture has a term of 36 months ending August 31, 2025 (the “Term”) and bears interest at the annual rate of 10%. At the option of the holder of the Debenture, the principal amount of the Debenture may be converted, at any time during the Term, into common shares of the Corporation (each a “Share”) at a price of \$0.22 per Share. Any accrued interest on the principal, at time of conversion, will be immediately payable in cash.

Each Warrant entitles the holder to purchase one Share at a price of \$0.26 per Share, for a period of 18 months ending February 29, 2024. If, at any time following January 1, 2023 the daily volume weighted average trading price of the Shares is or exceeds \$0.40 for 15 consecutive trading days, the Corporation shall have the option to accelerate the expiry of the Warrants. If the Corporation chooses to exercise the acceleration right, the new expiry date of the Warrants will be the 30th day following the notice of such exercise.

The proceeds from the Private Placement will be used mainly to fund product development, commercialization of AI-based screening services as well as general and administrative activities.

One director of the Corporation subscribed for 10 Units for a cash consideration of \$100,000. Assuming the conversion of the Debentures and exercise of all of his outstanding securities, the director would own 3,250,101 Shares of the Corporation representing 4.61% of the total issued Shares, on a partially diluted basis.

The director is considered a “related party” of the Corporation within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The transaction is exempt from the valuation requirement and the minority approval requirement prescribed in MI 61-101, based on sections 5.5(a) and 5.7(1)(a), as the fair market value of the related party participation in the Private Placement does not exceed 25% of the Corporation’s market capitalization.

All securities issued as part of the Private Placement are subject to a statutory hold period ending January 1, 2023.

The Private Placement remains subject to receipt of all required approvals, including the approval of the TSX Venture Exchange, as well as full receipt of funds and execution of formal documentation.

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

About DIAGNOS

DIAGNOS is a publicly traded Canadian corporation dedicated to early detection of critical health problems based on its FLAIRE Artificial Intelligence (AI) platform. FLAIRE allows for quick modifying and developing of applications such as CARA (Computer Assisted Retina Analysis). CARA's image enhancement algorithms provide sharper, clearer and easier-to-analyze retinal images. CARA is a cost-effective tool for real-time screening of large volumes of patients. CARA has been cleared for commercialization by the following regulators: Health Canada, the FDA (USA), CE (Europe), COFEPRIS (Mexico) and Saudi FDA (Saudi Arabia).

Additional information is available at www.diagnos.ca and www.sedar.com.

For further information, please contact:

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