

## **NEWS RELEASE**

### **PRISM MEDICAL ANNOUNCES ACQUISITION OF PATIENT LIFTS OF NEW ENGLAND**

VAUGHAN, ONTARIO, January 31, 2008 - PRISM MEDICAL LTD. (TSX-V: PM) ("Prism") today announced that its wholly owned US subsidiary, Prism Medical USA, Inc. has completed the acquisition of Chalmers Homes Inc., a New Hampshire corporation, doing business as Patient Lifts of New England ("Patient Lifts of New England"), a privately owned United States based distributor of moving and handling products for the mobility impaired. The shares were acquired for approximately \$1,842,000. The purchase price was satisfied by a cash payment of \$878,000 and vendor take-back promissory notes with a variety of terms no longer than two years, including \$546,000 of notes convertible to Prism common shares at a price of \$5.25, at the option of the vendors. The acquired company will continue to operate as Patient Lifts of New England.

Patient Lifts of New England has been in operation since 1992. It distributes a variety of non-mechanical safe patient handling and movement products for the Acute, Long-Term Care and Home Health Care markets in the North Eastern United States. The products include ceiling lifts, floor lifts, tubs, beds and repositioning aids. Products are sold for use in institutions and homecare.

The former majority shareholders, Stephen and Dawn Chalmers have entered into employment contracts with Prism Medical USA, Inc. and will continue to be responsible for the day-to-day operations of Patient Lifts of New England

Andrew A. McIntyre, Chairman and CEO of Prism stated, "The acquisition of Patient Lifts of New England marks another step in the strategic expansion of our geographic coverage and product offering. Patient Lifts of New England fills an existing gap in our US market and will provide Prism's products with direct access to outstanding customer relationships developed by Patient Lifts of New England over the last sixteen years in the New England region of the United States. We look forward to the opportunities that will be created through this acquisition."

#### About Prism

Prism Medical Ltd. is a provider of durable medical equipment and related services to the mobility disadvantaged in Canada, the U.S.A. and the United Kingdom. While Prism's history dates back to 1996, Prism's subsidiaries and divisions have been servicing the mobility disadvantaged since the mid 1980s in their homes, long-term care facilities and acute care facilities. Prism includes Waverley Glen Systems, North America's premier ceiling lift manufacturer with distribution across Canada and the US, Westholme and Care Free Lifting & Handling, leading distributors of moving and handling products in the UK, and Freeway Health Care, a UK-based manufacturer of ceiling hoists and shower chairs.

## Forward-looking Information

Certain statements in this release may constitute forward-looking statements. Such forward-looking statements involve risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

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