

NEWS RELEASE

Prism Medical Ltd. (PM:TSX-VEN) Announces Intention to Conduct a Non-Brokered Private Placement

VAUGHAN, ONTARIO, July 28, 2009

Prism Medical Ltd. ("Prism") (PM:TSX-VEN) announced today that it intends to conduct a non-brokered private placement of common shares in the amount of up to \$3,000,000 at a price of \$6.00 per share. The proceeds of the offering will be used to fund strategic acquisitions, retire outstanding funded debt and general operations.

The offering will be extended to directors, senior executives, employees and consultants of Prism and its subsidiaries in order to further its objectives of encouraging share ownership by these individuals and aligning their interests as a group and with the company. These individuals may borrow all or a part of the subscription funds from HSBC Bank Canada or a related entity on normal banking terms. Prism has agreed to guarantee these borrowings in order to facilitate the subscriptions.

The offering is considered to be a "related party" transaction for the purposes of Multilateral Instrument 61-101 – Protection of Minority Securityholders in Special Transactions (the "Regulation"). The offering is exempt from the formal valuation and majority of the minority shareholders approval set out in the Regulation since at the time the transaction was agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves interested parties, exceeds 25% of the issuer's market capitalization in accordance with Sections 5.5 and 5.7 of the Regulation.

It is anticipated that approximately 400,000 common shares in the capital of Prism will be issued which represents approximately 7.2% of the issued shares in the capital of Prism after completion of the offering. Proceeds will be payable to Prism and existing shareholders will experience dilution.

The subscribers under the offering who are "interested parties" as defined in the Regulation include certain directors and senior officers of Prism or its subsidiaries. It is anticipated that these individuals will purchase 300,000 common shares in the capital of Prism under the offering which represents approximately 75% of the offered shares and 5.4% of the issued shares in the capital of Prism after completion of the offering.

ABOUT PRISM

Prism is a provider of durable medical equipment and related services to the mobility disadvantaged in Canada, the U.S. 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 1980's in their homes, long-term care facilities and acute care facilities. Prism includes Waverley Glen, North America's premiere ceiling lift manufacturer with distribution across Canada and the U.S., Patient Lifts of New England with distribution across the northeastern USA, Westholme and Care Free Lifting & Handling, leading distributors of moving and handling products in the U.K. and Freeway Health Care, a U.K.-based manufacturer of ceiling lifts 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 Prism to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

For further information, please contact:

William G. Edwards
Chief Financial Officer
Prism Medical Ltd.
Tel: (905) 850-0093 ext. 242
Fax: (905) 850-0061
wgedwards@prismmedicaltd.com
www.prismmedicaltd.com

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