

Prism Medical Ltd. (PM:TSX-VEN) Announces Acquisition of Carefree Lifting Limited

MISSISSAUGA, ONTARIO, June 28, 2005 - Prism Medical Ltd. ("Prism") (PM:TSX-VEN) today announced that its wholly owned UK subsidiary, Prism UK Medical Limited has completed the acquisition of Carefree Lifting Limited ("Carefree"), a privately owned United Kingdom based distributor of moving and handling products for the mobility impaired. The shares were acquired for approximately \$2,812,500. The purchase price was satisfied, in part by issuing to the former owner-managers unsecured promissory notes with a principal amount of approximately \$337,500 repayable quarterly over a five year term and 135,569 common shares of Prism, with the balance of \$1,800,000 being paid in cash.

Carefree has been in operation since 1994. It distributes a variety of moving & handling devices in the greater Manchester, England marketplace used for patient handling and transfer by nurses, homecare caregivers and the disabled themselves. The products include slip-sheets, mobile (floor) hoists and ceiling hoists. Products are sold for use in institutions and homecare. Carefree had sales of approximately \$3 million in the 12 month period ending May 31, 2005 based on unaudited financial statements prepared by the previous owners.

The former owner-managers of the acquired business have entered into employment contracts with Prism UK Medical Ltd. They will continue to be responsible for the day-to-day management of Carefree and to provide product, sales and service expertise to the Prism Group of Companies.

Andrew McIntyre, Chairman and CEO of Prism stated, "The acquisition of Carefree Lifting Limited marks another step in the planned expansion of our geographic coverage and product offering. Carefree has an excellent reputation for offering in-depth product knowledge with exceptional training and service. We look forward to the opportunities that will be created through this acquisition."

About Prism

Prism is a holding company whose wholly-owned subsidiaries include Waverley Glen Systems Limited ("Waverley Glen"), North America's premier ceiling lift manufacturer with distribution across Canada and the United States and Westholme Limited, the largest distributor of moving and handling products in the United Kingdom. Ceiling lifts are considered a superior method to lift, reposition and transfer mobility-impaired patients. Waverley Glen's portable and fixed ceiling products are sold in the homecare and institutional medical markets through specialized full service dealers.

Certain statements in this press 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.

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

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