

MISSISSAUGA, ONTARIO, October 13, 2004 - Prism Medical Ltd. ("Prism" or "the Company") (PM:TSX-VEN) today announced its results for the third quarter ended August 31, 2004.

For the three months ending August 31, 2004 net income was \$202,223 (\$0.04 per share on a fully diluted basis) versus \$94,435 (\$0.03 per share on a fully diluted basis) for the same period last year. For the nine months ending August 31, 2004 net income was \$1,157,994 (\$0.25 per share on a fully diluted basis) versus \$689,735 (\$0.17 per share on a fully diluted basis) for the same period last year.

Sales in the third quarter of 2004 increased by \$1,752,477 (35%) over the same period last year. Sales in the UK increased by \$1,127,816 (32%) while North American sales increased by \$624,661 (40 %) over the same period last year. Sales for the nine months ended August 31, 2004 increased by \$5,121,736 (32%) over the same period last year.

Andrew McIntyre, President and CEO of Prism Medical stated, "Our third quarter showed strong growth compared to last year as we continued to feel the positive effect of the March 2004 announcement by the Ministries of Health and Labour to provided funding to Ontario hospitals to purchase patient lifts in order to reduce healthcare worker injuries. Results can be impacted significantly by the availability of institutional funding. In the recent May 2004 Ontario budget, the government announced it was providing \$60 million over the next two years for 12,000 patient lifts in hospitals and long-term care homes to ensure the safe movement of patients. An announcement by the government indicating when and how this money will be spent has not been made to date but is expected soon. Our recently completed UK acquisitions are highly accretive and should contribute positively to our fourth quarter."

Prism is a holding company whose subsidiaries include Waverley Glen Systems Limited ("Waverley Glen"), North America's premier ceiling lift manufacturer with distribution across Canada and the US and Westholme Limited, the largest distributor of moving and handling products in the UK. 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.

Forward-looking Information

Certain statements in this report 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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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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