

**Prism Medical Ltd. (PM:TSX-VEN)  
Announces Acquisition of ErgoSafe Products, LLC**

**MISSISSAUGA, ONTARIO**, June 6, 2006 - Prism Medical Ltd. ("Prism") (PM:TSX-VEN) today announced that its wholly owned US subsidiary, Prism Medical USA, Inc. has completed the acquisition of ErgoSafe Products, LLC ("ErgoSafe"), a privately owned United States based manufacturer and distributor of moving and handling products for the mobility impaired. The shares were acquired for approximately \$738,000, plus a cash earn-out. The purchase price was satisfied, in part by issuing to the former owners 88,080 common shares of Prism, with the balance of approximately \$408,000 being paid in cash. The acquired company will operate as ErgoSafe.

ErgoSafe has been in operation since 2004. It manufactures and 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 US. The products include slip-sheets, gait belts, transfer belts and multi-directional seats. Products are sold for use in institutions and homecare.

The former majority shareholder, Charles H. Wallace, Jr. has entered into an employment contract with Prism Medical USA, Inc. and will continue to be responsible for the day-to-day operations of ErgoSafe as well as leading Prism's US sales and marketing efforts. David A. Johnson, a former minority indirect shareholder (9.9%) of ErgoSafe is a senior officer of a subsidiary of Prism and is an insider to this transaction. He received, at closing, approximately \$73,000 of the total transaction proceeds, 8,720 common shares of Prism and will be entitled to share in the earn-out. The other former indirect shareholder of ErgoSafe also received proceeds from the transaction.

Andrew A. McIntyre, Chairman and CEO of Prism stated, "The acquisition of ErgoSafe Products, LLC marks another step in the strategic expansion of our geographic coverage and product offering. ErgoSafe's products fill an existing gap in our current product offering and will provide Prism's sales and distribution network access to a more complete range of products. The addition of Charley Wallace, an experienced industry senior executive to the Prism senior management team is a key element of our US growth initiatives. 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 (DME) and related services to the mobility disadvantaged in Canada, the USA and the United Kingdom (UK). While Prism's history dates back to 1996, Prism's subsidiaries have been servicing the mobility disadvantaged since the mid 1980's in their homes, long-term care facilities and acute care facilities. Prism's subsidiaries include Waverley Glen Systems Limited, North America's premier ceiling lift manufacturer with distribution across Canada and the US, Westholme Limited and Care Free Lifting Limited, leading distributors of moving and handling products in the UK and Freeway Healthcare, 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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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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