

## NEWS RELEASE

### PRISM MEDICAL ANNOUNCES

VAUGHAN, ONTARIO, December 5, 2008 - PRISM MEDICAL LTD. (TSX-V: PM) (“Prism”) announced that its U.S. subsidiary, Prism Medical Services USA, headquartered in St. Louis, Mo., has been selected as a preferred by Resource Optimization & Innovation (ROi), the group purchasing organization for the Sisters of Mercy Health System (“Mercy”). Prism Medical Services USA was awarded a contract to supply lifting, transferring, and repositioning equipment and clinical consulting services to Mercy, one of the largest Catholic healthcare systems in the U.S. The contract emphasizes the commitment that Mercy has to providing a safe working environment for employees and patients throughout the health system. Mercy is headquartered in St. Louis, Mo., and has 18 acute care hospitals and 2 heart hospitals with over 4,000 beds and 31,000 employees within its seven state service area.

Charles H. Wallace, Jr., President of Prism Medical Services USA stated, “The Sisters of Mercy Health System is one of the most committed healthcare organizations we have seen when it comes to providing safe working environments. They have highly capable people driving this initiative and we are very pleased to be working with them. As a partner looking in, I can tell you they should be pleased with their work to this point because they are doing exactly the right things to get the results they want to achieve.”

#### 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. Prism Medical Services USA designs, manufactures, installs and services Waverley Glen Systems and ErgoSafe Products, North America’s premier lines of patient lift systems and repositioning and transfer aides, doing business since 1986 with over 50,000 installations throughout the U.S. and Canada.

#### About Resource Optimization & Innovation (ROi)

Resource Optimization & Innovation (ROi) is an operating division of the Sisters of Mercy Health System (Mercy) that allows Mercy to successfully offer a single-source, fully integrated supply chain solution to serve its customers. ROi focuses on three primary areas of service: performance consulting, group purchasing and supply chain management. As of fiscal year 2008, ROi has \$560 million in contracted volume, more than 1,400 members and serves more than 4,000 licensed beds in 22 acute care hospitals. ROi is headquartered in St. Louis, Mo. and has distribution operations at the Consolidated Services Center (CSC) in Springfield, Mo.

#### About Sisters of Mercy Health System (Mercy)

The Sisters of Mercy Health System (Mercy) operates hospitals, physician practices, outpatient clinics, health plans and related health and human services in a seven-state area including Arkansas, Kansas, Louisiana, Mississippi, Missouri, Oklahoma and Texas. Its members include 18 acute care hospitals providing more than 4,000 licensed beds, two heart hospitals, a managed

care subsidiary (Mercy Health Plans), physician practices, outpatient care facilities, home health programs, skilled nursing services and long-term care facilities. Services are provided by approximately 31,000 co-workers and 4,600 physicians who are employed or practice at Mercy facilities. Mercy is the 9th largest Catholic healthcare system in the U.S. based on net patient service revenue. It is sponsored by Mercy Health Ministry, an entity established by the Catholic Church to oversee the healing ministry and Catholic identity of Mercy.

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.

For further information, please contact:

David Minas  
Chief Financial Officer  
Prism Medical Ltd.  
Tel: (905) 850-0093 ext. 242  
dminas@prismmedicaltd.com