



LMS Medical Systems Inc.

For Immediate Release

LMS PROVIDES NOTICE OF TERMINATION OF US DISTRIBUTION AGREEMENT

Montreal, Quebec, October 6, 2008 – LMS Medical Systems Inc. (the “company” or “LMS”) (TSX:LMZ), a healthcare technology company and developer of the CALM[®] patient safety software suite for obstetrics, today announced that it has provided notice to its US distributor, McKesson Information Systems LLC, terminating the Value Added Marketing Agreement between LMS and McKesson (the “Agreement”) effective October 11, 2009.

LMS has terminated the Agreement under the Termination for Convenience provision of the Agreement. As a result of giving the notice of termination, it is no longer possible for LMS to project revenues to be derived from the U.S. distributor and the company’s guidance for the 2009 fiscal year contained in its press release date June 12, 2008 should no longer be relied upon.

About LMS: LMS is a leader in the application of advanced mathematical modeling and neural networks for medical use. The LMS CALM Decision Support Suite provides physicians, nursing staff, risk managers and hospital administrators with clinical information systems and risk management tools designed to improve outcomes and patient care for mothers and their infants during childbirth.

Except for historical information contained herein, the matters discussed in this news release are forward-looking statements. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed implied by the forward-looking statements including, but without limitation, economic conditions in general and in the healthcare market, the demand for and market for our products in domestic and international markets, our current dependence on the CALM product suite, the challenges associated with developing new products and obtaining regulatory approvals if necessary, research and development activities, the uncertainty of acceptance of our products by the medical community, the lengthy sales cycle for our products, third party reimbursement, competition in our markets, including the potential introduction of competitive products by others, our dependence on our distributors, physician training, enforceability and the costs of enforcement of our patents, potential infringements of our patents and the other factors set forth from time to time in the Company’s filings with the Canadian Securities Commissions. The Company has no intention of or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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