



LMS Medical Systems Inc.

For Immediate Release

LMS SOFTWARE CONTRACTED BY PREMIER GROUP PURCHASING ORGANIZATION

Montreal, Quebec, July 10, 2008 – **LMS Medical Systems (TSX:LMZ)**, a healthcare technology company and developer of the CALM® patient safety software systems for obstetrical care, is pleased to announce that Premier Purchasing Partners, LP has awarded the company a group contract, making LMS a contracted supplier for its Clinical Situational Awareness tools.

Premier is one of the largest health care group purchasing organizations (GPO) in the United States, serving over 2,000 hospitals. The contract allows Premier members, at their discretion, to take advantage of special pricing and terms pre-negotiated by Premier. This newly created Decision Support category in the Premier offering shows the commitment by Premier to improve both quality and patient safety as part of its ongoing efforts in health care transformation.

The contract applies to the CALM Curve™ and to CALM Shoulder Screen™ which increase patient safety by providing advanced risk assessment relative to major obstetrical complications that can occur during childbirth. The potential associated cost savings can be key to decreasing the rapidly rising cost of health care today. The contract with LMS, effective immediately through April 30, 2011, is available to acute and continuum of care members of the Premier healthcare alliance.

“We welcome this exciting relationship with Premier and look forward to working with its member providers to improve the quality of care and enhance patient safety in obstetrics,” said Diane Côté, President and CEO of LMS. “This contract will enable LMS to continue to expand market reach and to position its advanced risk assessment tools in transformative healthcare settings within the Premier membership and beyond.”

About Premier Inc., 2006 Malcolm Baldrige National Quality Award recipient

Serving more than 2,000 U.S. hospitals and 53,000-plus other healthcare sites, the Premier healthcare alliance and its members are transforming healthcare together. Owned by not-for-profit hospitals, Premier operates one of the leading healthcare purchasing networks and the nation's most comprehensive repository of hospital clinical and financial information. A subsidiary operates one of the nation's largest policy-holder owned, hospital professional liability risk-retention groups. A world leader in helping healthcare providers deliver dramatic improvements in care, Premier is working with the United Kingdom's National

Health Service North West and the Centers for Medicare & Medicaid Services to improve hospital performance. Headquartered in San Diego, Premier has offices in Charlotte, N.C., Philadelphia and Washington. For more information, visit www.premierinc.com.

About LMS: LMS is a healthcare technology company and developer of the CALM clinical information system and risk management software for obstetrics. It is a leader in the application of advanced mathematical modeling and neural networks for medical use. The LMS CALM Clinical Situational Awareness solutions provide physicians, nursing staff, risk managers and hospital administrators with tools designed to improve outcomes and patient care for mothers and their infants during labor and delivery. For more information, visit <http://www.lmsmedical.com>.

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 United States Securities and Exchange Commission and 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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