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Pro Medicus Wins \$0.6m Digital Imaging Contract

- **Lake Imaging doubles size - acquires St John of God radiology group**
- **All sites to use PME technology generating approximately \$0.6m of licence revenue**
- **Creates Australia's largest fully integrated digital imaging network**

Leading medical IT company Pro Medicus Limited (ASX:PME) announced that it has won a \$600,000 contract to install its practice management and digital imaging products at six radiology practices acquired by Lake Imaging.

Lake Imaging, the first client to adopt the Pro Medicus integrated digital radiology solution will convert five sites in Geelong and one in Ballarat to digital and integrate them into Lake's Victorian regional network, which will grow to 14 sites. The sites were formerly owned by the St John of God radiology group.

Pro Medicus expects to receive the full revenue from this installation in this financial year.

Lake Imaging was the first private radiology provider in Australia to move from film-based technology to a fully digital environment when it converted its two Ballarat practices in late 2002. Having realised efficiency savings of more than 30% with the Ballarat conversions, Lake also converted practices at Melton, Bacchus Marsh, Drysdale, Gisborne and Caroline Springs in Melbourne's western growth corridor. In 2004 Lake Imaging expanded further, opening a new, fully digital practice in Geelong.

"We now have over three years practical experience of the operational efficiencies and clinical benefits that the combination of digital imaging and the Pro Medicus integration software offer and how readily scaleable the technology is," said Lake Imaging partner John Livingston. "The support our Geelong site has received from referring doctors over the past year has also clearly demonstrated the competitive advantage that digital has over analogue technology. In addition to being able to load balance our manpower between Geelong and Ballarat, we were the only radiology provider able to electronically deliver results and images to referrers in the area."

Pro Medicus CEO Dr Sam Hupert said that Lake Imaging's rapid growth through the adoption of its digital technology lends further weight to the case for a widespread industry move away from film-based radiology. "The decision to go digital well before the rest of the radiology market has enabled Lake to build one of the larger independent radiology practices in the country," he said. "Only about 10% of the Australian private radiology market has fully adopted digital technology to date, but it is inevitable that the whole market will go that way sooner rather than later."

"As the market leader in digital imaging integration software, we are extremely well placed to be a major beneficiary of this industry wide shift," Dr Hupert added.

For more information visit www.promedicus.com.au or contact:

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About Pro Medicus:

Pro Medicus Limited [ASX: PME] is Australia's leading medical IT and e-health provider. Founded in 1983, the company provides a full range of integrated software products and services to individual, corporate and public health providers. Over 20,000 doctors are now connected to the company's e-health service, promedicus.net, with the number of transactions across the network between GPs and specialists growing strongly. Providing the integration software to enable radiology practices to become fully digital is a key growth area for the company and it has won several important contracts, significantly across different parts of the Australian health system - the public sector and existing and new private radiology practices. Pro Medicus has also recently entered the Australian GP clinical desktop market with the introduction of ProMed Clinical.

While continuing to strengthen its market leading position in the Australian market, Pro Medicus has also rapidly established a strong base for overseas growth. In 2003, the company implemented its first overseas contract in the UK and now has seventeen sites there. In late 2004, it signed a watershed three-year \$10 million deal with Agfa to exclusively license the Pro Medicus practice management and digital radiology software products for the large and rapidly growing private imaging centre market in the US and Canada. Commercialisation of the PME technology into this market is running to plan with the company gaining formal clinical validation at a large east coast practice. The company also secured a \$2.6 million contract with a large Canadian radiology group.