



## **SPECTRAL ANNOUNCES FIRST QUARTER 2015 RESULTS**

**TORONTO, Canada – May 13, 2015 – Spectral Medical Inc., (TSX:EDT) (OTCQX: EDTXQ)**, a Phase III company developing the first treatment for patients with septic shock that comprises a therapeutic device guided by a companion diagnostic, today announced its unaudited financial results for the first quarter ended March 31, 2015.

### **Financial Review**

Revenue for the three months ended March 31, 2015 was \$877,000 compared to \$844,000 for the same period in the preceding year. First quarter revenues were consistent with prior year levels and this trend is expected to continue for the remainder of the year.

Operating costs for the quarter ended March 31, 2015 amounted to \$3,166,000 compared to \$4,033,000 in 2014. The \$867,000 decrease is almost entirely attributable to lower costs for the EUPHRATES trial, resulting from fewer new sites being initiated into the trial and lower patient enrolment after the implementation of an additional exclusion criterion in April, 2014 that refined patient selection. Apart from clinical trial activities, the Company continues to maintain a low cost operating structure for its base business operations.

Loss for the quarter ended March 31, 2015 was \$2,265,000 (\$0.01 per share) compared to \$3,175,000 (\$0.02 per share) for the same quarter last year.

The Company concluded the first quarter of 2015 with cash and cash equivalents of \$7,068,000 compared to \$10,054,000 cash and cash equivalents on hand as of December 31, 2014.

On April 1, 2015, the Company closed Tranche B of its financing for \$6,110,000 bringing the cash balance to \$13,178,000.

The total number of shares outstanding for the Company was 179,755,741 as at March 31, 2015.

### **About Spectral**

Spectral is a Phase III company seeking U.S. FDA approval for its lead theranostics product for the treatment of endotoxemic septic shock. Toraymyxin™ (PMX) is a therapeutic hemoperfusion device that removes endotoxin, a main trigger of sepsis, from the bloodstream. Directed by the Company's Endotoxin Activity Assay (EAA™), the only FDA cleared diagnostic for the risk of developing sepsis, Spectral's EUPHRATES trial is the world's only active and most innovative Phase III study for a medical device in the area of septic shock.

PMX has been approved for therapeutic use in Japan and Europe, and has been used on more than 100,000 patients to date. In March 2009, Spectral obtained the exclusive development and commercial rights in the U.S. for PMX, and in November 2010, signed an exclusive distribution agreement for this product in Canada. Approximately 350,000 patients are diagnosed with septic shock in North America each year, representing a greater than \$3 billion market opportunity for Spectral.

Spectral is listed on the Toronto Stock Exchange under the symbol EDT, and on the OTCQX under the symbol EDTXF. For more information please visit [www.spectraldx.com](http://www.spectraldx.com).

### **Forward-looking statement**

*Information in this news release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws. Implicit in this information, particularly in respect of the*

*future outlook of Spectral and anticipated events or results, are assumptions based on beliefs of Spectral's senior management as well as information currently available to it. While these assumptions were considered reasonable by Spectral at the time of preparation, they may prove to be incorrect. Readers are cautioned that actual results are subject to a number of risks and uncertainties, including the availability of funds and resources to pursue R&D projects, the successful and timely completion of clinical studies, the ability of Spectral to take advantage of business opportunities in the biomedical industry, the granting of necessary approvals by regulatory authorities as well as general economic, market and business conditions, and could differ materially from what is currently expected.*

*The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this statement.*

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# Spectral Medical Inc.

## Condensed Interim Statements of Financial Position

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(in thousands of Canadian dollars)

	March 31 2015 \$	December 31 2014 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	7,068	10,054
Trade and other receivables	675	583
Inventories	218	166
Prepayments	234	185
	8,195	10,988
<b>Non-current assets</b>		
Property and equipment	571	490
Intangible asset	378	384
	949	874
<b>Total assets</b>	<b>9,144</b>	<b>11,862</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	2,411	2,893
Deferred revenue	85	149
<b>Total liabilities</b>	<b>2,496</b>	<b>3,042</b>
<b>Equity</b>		
Share capital	46,931	46,879
Contributed surplus	7,826	7,849
Other equity reserves	3,606	3,542
Deficit	(51,715)	(49,450)
<b>Total equity</b>	<b>6,648</b>	<b>8,820</b>
<b>Total liabilities and equity</b>	<b>9,144</b>	<b>11,862</b>

# Spectral Medical Inc.

Condensed Interim Statements of Loss and Comprehensive Loss  
For the three months ended March 31, 2015 and 2014  
(Unaudited)

(in thousands of Canadian dollars, except for share and per share data)

	2015 \$	2014 \$
<b>Revenue</b>	877	844
<b>Expenses</b>		
Changes in inventories of finished goods and work- in- process	24	173
Raw materials and consumables used	100	77
Employee benefits	947	1,034
Consulting and professional fees	1,572	2,287
Regulatory and investor relations	170	76
Travel and entertainment	203	179
Depreciation and amortization	43	64
Foreign exchange (gain) loss	(17)	27
Other expenses	124	116
	3,166	4,033
<b>Operating loss</b>	(2,289)	(3,189)
Finance income	24	14
<b>Loss and comprehensive loss for the period</b>	(2,265)	(3,175)
<b>Basic and diluted loss per common share</b>	(0.01)	(0.02)
<b>Weighted average number of common shares outstanding</b>	179,750,247	134,462,580

## Spectral Medical Inc.

Condensed Interim Statements of Changes in Equity  
For the three months ended March 31, 2015 and 2014  
(Unaudited)

(in thousands of Canadian dollars)

	Issued capital Number	\$	Contributed surplus \$	Share-based compensation \$	Warrants \$	Deficit \$	Total Equity \$
<b>Balance, January 1, 2014</b>	134,462,561	33,957	3,864	3,239	4,594	(39,958)	5,696
Warrants exercised	46	-	-	-	-	-	-
Loss and comprehensive loss for the period	-	-	-	-	-	(3,175)	(3,175)
Share-based compensation	-	-	-	205	-	-	205
<b>Balance, March 31, 2014</b>	134,462,607	33,957	3,864	3,444	4,594	(43,133)	2,726
<b>Balance, January 1, 2015</b>	179,737,241	46,879	7,849	3,542	-	(49,450)	8,820
Shares repurchased under the normal course issuer bid	(90,000)	(32)	(23)	-	-	-	(55)
Share options exercised	108,500	84	-	(41)	-	-	43
Loss and comprehensive loss for the period	-	-	-	-	-	(2,265)	(2,265)
Share-based compensation	-	-	-	105	-	-	105
<b>Balance, March 31, 2015</b>	179,755,741	46,931	7,826	3,606	-	(51,715)	6,648

# Spectral Medical Inc.

Condensed Interim Statements of Cash Flows  
For the three months ended March 31, 2015 and 2014  
(Unaudited)

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(in thousands of Canadian dollars)

	2015	2014
	\$	\$
<b>Cash flow provided by (used in)</b>		
<b>Operating activities</b>		
Loss and comprehensive loss for the year	(2,265)	(3,175)
Adjustments for:		
Depreciation on property and equipment	37	58
Amortization of intangible asset	6	6
Share-based compensation	105	205
Changes in items of working capital:		
Trade and other receivables	(92)	(104)
Inventories	(52)	126
Prepayments	(49)	(54)
Trade and other payables	(482)	(533)
Deferred revenue	(64)	(26)
<b>Net cash used in operating activities</b>	<b>(2,856)</b>	<b>(3,497)</b>
<b>Investing activities</b>		
Property and equipment expenditures	(118)	(2)
<b>Net cash used in investing activities</b>	<b>(118)</b>	<b>(2)</b>
<b>Financing activities</b>		
Share options exercised	43	-
Shares repurchased under the NCIB	(55)	-
<b>Net cash used in financing activities</b>	<b>(12)</b>	<b>-</b>
Decrease in cash and cash equivalents	(2,986)	(3,499)
Cash and cash equivalents, beginning of period	10,054	7,229
<b>Cash and cash equivalents, end of period</b>	<b>7,068</b>	<b>3,730</b>