SPECTRAL UNAWARE OF ANY MATERIAL CHANGE

Company remains on track with FDA process and timelines

TORONTO, Canada – August 19, 2016 – Spectral Medical Inc., (TSX:EDT) (OTCQX:EDTXF) ("Spectral" or the "Company"), a Phase III company developing the first treatment for patients with endotoxemic septic shock guided by a companion diagnostic, confirms that its management and board of directors are unaware of any material, undisclosed corporate developments that would account for the recent decrease in its share price.

As outlined in Spectral's press release dated August 18, 2016, the Company is on track with the regulatory pathway for its novel septic shock treatment and its stand-alone pump. The Company expects to release primary end point results for its pivotal EUPHRATES trial immediately after the end of the third quarter ended September 30, 2016.

About Spectral

Spectral is a Phase III company seeking U.S. FDA approval for its unique product for the treatment of patients with septic shock, Toraymyxin™ ("PMX"). PMX is a therapeutic hemoperfusion device that removes endotoxin, which can cause sepsis, from the bloodstream and is directed by the Company's Endotoxin Activity Assay (EAA™), the only FDA cleared diagnostic for the risk of developing sepsis.

PMX has been approved for therapeutic use in Japan and Europe, and has been used safely and effectively on more than 150,000 patients to date. Approximately 350,000 patients are diagnosed with severe sepsis and septic shock in North America each year, representing a greater than $3 billion market opportunity for Spectral. Currently there is no specific treatment available for this condition. 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.

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.

For further information please contact:

Anthony Businskas
Executive Vice President and CFO
Spectral Medical Inc.
416-626-3233 ext. 2200
tbusinskas@spectraldx.com

Ali Mahdavi
Capital Markets & Investor Relations
416-962-3300
am@spinnakercmi.com