SPECTRAL TO LAUNCH TORAYMYXIN™/EAA™ IN CANADA IN Q1 2018

TORONTO, Canada – Wednesday, December 13, 2017 – Spectral Medical Inc., (TSX: EDT), a Phase III company developing the first treatment for patients with septic shock guided by a companion diagnostic, today announced that the company has entered into a distribution agreement with CASTER MEDICAL SYSTEM ("CMS") to launch Toraymyxin™ ("PMX") and EAA™ in Canada commencing in the first quarter of 2018. CMS's experienced sales team will promote the products in all parts of the country, with Spectral's team contributing scientific and marketing support. CMS is specialized in selling high value medical devices (disposables and capital equipment), including a non-invasive cardiac monitoring system that can be used to monitor PMX treatment effectiveness in improving patient cardiovascular function.

According to the Canadian Institute for Health Information (CIHI, 2009) there are more than 30,000 severe sepsis and septic shock patients with multi-organ dysfunction per year in Canada, more than 10,000 of which are suitable for PMX based on EUPHRATES findings.

"We are very pleased to contribute to the sales development of this product that can save the life of Canadian patients. This product fits well with our corporate culture and portfolio of high quality products for the intensive care unit," said Bob Caster, founder and CEO of CMS.

"The PMX launch activity in Canada is a great opportunity for Spectral and we are looking forward to a close cooperation with CMS's sales team. When applied to the right patient population, PMX improves organ function and survival rate for these critically ill patients," said Gualtiero Guadagni, VP Sales & Marketing at Spectral.

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 guided 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 many countries including Japan, Europe and Canada, and has been used safely and effectively on more than 150,000 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 severe sepsis and septic shock in North America each year. Spectral is listed on the Toronto Stock Exchange under the symbol EDT. 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.

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