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Spectral Medical Inc. Completes \$10 Million Bought Deal Financing

Toronto, Ontario, February 18, 2016 – Spectral Medical Inc. (“**Spectral**” or the “**Company**”), (**TSX: EDT**) (**OTCQX: EDTXF**) announced that it has closed its previously announced bought deal financing pursuant to which it sold 14,300,000 common shares (the “**Shares**”) of the Company to a syndicate of underwriters led by Cormark Securities Inc., which included Mackie Research Capital Corporation (collectively, the “**Underwriters**”), from the treasury of the Company at a price of \$0.70 per Share (the “**Offering Price**”). The Shares were offered in each of the provinces of Canada, except Québec, by way of short form prospectus (the “**Offering**”). The Company raised aggregate gross proceeds of \$10,010,000 under the Offering, which will be used for the completion of the Company’s EUPHRATES clinical trial, the commercialization of the Company’s PMX device and for general corporate purposes.

Under the terms of the Offering, the Company has granted the Underwriters an option (“**Over-Allotment Option**”) to purchase up to an additional 2,145,000 Shares from the Company at the Offering Price, exercisable at any time up to 30 days following the closing of the Offering, for market stabilization purposes and to cover over-allotments, if any. Under the Offering, the Company has also issued to the Underwriters 858,000 broker warrants totaling 6% of the number of Shares sold pursuant to the Offering. Each broker warrant entitles the holder thereof to acquire one Share at a price equal to the Offering Price for a period of 24 months from closing of the Offering.

Each of Toray Industries Inc. (“**Toray**”) and Birch Hill Equity Partners IV, LP, Birch Hill Equity Partners (US) IV, LP and Birch Hill Equity Partners (Entrepreneurs) IV, LP (collectively the “**Birch Hill LPs**”) participated in the Offering, purchasing 2,857,000 Shares and 533,000 Shares, respectively. The Birch Hill LPs purchase of Shares is expected to settle on or about February 24, 2016. Following the closing of the Offering and the settlement of the Birch Hill LPs subscription, Toray owns 45,630,105 Shares, or approximately 22.22% of the issued and outstanding Shares and the Birch Hill LPs will own 33,517,718 Shares or approximately 16.32% of the issued and outstanding Shares, in each case calculated on a non-diluted basis and assuming no exercise of the Over-Allotment Option.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

About Spectral Medical Inc.

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 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. Over 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

Forward-looking statements

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 commercialize its products, the ability of Spectral to take advantage of business opportunities in the biomedical industry, the granting of necessary approvals by regulatory authorities, the ability of Spectral to complete the Offering as expected 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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