



SPECTRAL APPROACHES FINISH LINE FOR CLINICAL AND REGULATORY PROGRAM

- **Only 30 patients remaining to enrol for trial completion in 1H2016** -
- **Final PMA module on track for submission in 2H2016** -
- **Multiple potential commercialization partners expressing interest** -

Toronto, Ontario, March 1, 2016 – Spectral Medical Inc., (“Spectral” or the “Company”) (TSX: EDT) (OTC QX: EDTXF), a Phase III company developing the first treatment for patients with endotoxemic septic shock that comprises a therapeutic device guided by a companion diagnostic, today announced that it is now recruiting the remaining 30 patients into its pivotal Phase III EUPHRATES trial. Based on current enrolment rates, it is expected that the trial should be completed in the first half of 2016.

To date, 416 patients have been enrolled into the trial, representing 93% of the total estimated sample size of 446 evaluable patients. In addition, the composite mortality rate of approximately 50% for patients randomized since the April 10, 2014 protocol amendment remains consistent with the assumptions used for the recent sample size recalculation which was accepted by the US Food and Drug Administration (“FDA”).

The Company further announced that it continues to be on track, with its strong trial enrolment rate and assuming positive results, to submit the fourth and final Pre-Market Approval (“PMA”) module containing clinical data to the FDA for market approval of its Toraymyxin™ (“PMX”) medical device in the second half of 2016. The first three modules of the PMA were submitted in 2015 in accordance with the rolling submission timelines previously agreed with the FDA.

Following successful completion of its recent financing, the Company has approximately \$14 million of cash on hand to fund operations through to potential market launch. The Company’s primary strategy is to build its own sales and marketing infrastructure for commercialization of the PMX treatment for endotoxemic septic shock. However, the Company has engaged third party advisors to facilitate discussions with a number of potential interested commercialization partners and it expects that these discussions and others will continue as it moves closer to trial completion and the availability of data. There is no assurance, however, that any such discussions will result in agreement or arrangement with a third party to commercialize the PMX treatment.

“This is a very exciting time for the Company and its shareholders as our clinical, regulatory and commercialization programs are all coming together for the purpose of achieving what we believe will be a successful outcome for our rigorously developed and carefully executed six year clinical trial and a subsequent successful product launch into a \$3 billion market where there are currently no other significant competitors to our therapy,” said Dr. Paul Walker, President and CEO of Spectral Medical.

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. 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 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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