



SPECTRAL ANNOUNCES \$5 MILLION OFFERING OF COMMON SHARES PURSUANT TO EXERCISE OF CALL RIGHT

Toronto, Ontario, March 16, 2015 – Spectral Medical Inc. (“Spectral” or the “Company”) (TSX: EDT) (OTC QX: EDTXF), a Phase III company developing the first treatment for patients with septic shock guided by a companion diagnostic, announced today that on March 14, 2015 it exercised the call right (the “**Call Right**”) previously granted to it by Toray Industries, Inc. (“**Toray**”) for Toray to purchase 9,041,592 common shares (“**Shares**”) in the capital of the Company (the “**Offering**”) at a subscription price of CDN\$0.553 per Share, for net proceeds of CDN\$5 million. The subscription price for the Shares was determined pursuant to the terms of the Call Right and is based on the volume weighted average price of the Shares on the Toronto Stock Exchange for the twenty trading day period ended on March 13, 2015, being the day prior to the date the Company exercised the Call Right.

The Call Right was part of Tranche B of the financing agreed to with Toray in June, 2014. The subscription price for the Shares sold under this Call Right is at approximately a 90% premium to the offering price of CDN\$0.293 for the Shares when Tranche A was completed on July 25, 2014.

“We are pleased with the continued support of Toray as we move closer towards our goal of commercializing our unique therapy for septic shock, which potentially could occur as early as the first half of 2016 if approved by the U.S. FDA,” stated Anthony Businskas, Executive Vice President and CFO of Spectral. “Following the closing of this portion of our financing, we expect the Company to be sufficiently funded to implement its commercialization program, as currently configured, well into the 2016 fiscal year,” continued Mr. Businskas.

Toray currently beneficially owns and controls 33,731,513 Shares, or 18.8%, of the issued and outstanding Shares, calculated on a non-diluted basis. Following the Closing of the Offering, Toray will beneficially own and control 42,773,105 Shares, or 22.7%, of the currently issued and outstanding Shares, calculated on a non-diluted basis.

The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals, including the approval of the Toronto Stock Exchange, and is expected to be completed on or about April 1, 2015.

The Company intends to use the net proceeds of the Offering to fund its EUPHRATES clinical trial for Toraymyxin™ (“PMX”), its lead product candidate for the treatment of septic shock, and for working capital and general corporate purposes.

About Spectral Medical Inc.

Spectral is a Phase III company seeking U.S. FDA approval for its unique treatment of endotoxemic septic shock guided by a companion diagnostic. 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 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 OTC QX 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 commercialization of Spectral's septic shock treatment, 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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