

Health Canada Issues an Interim Order for Spectral Medical's PMX to Treat COVID-19 Patients

- *PMX has successfully been used for treatment in COVID-19 patients in the U.S., Japan and Italy*
- *Interim Order expands already approved PMX Health Canada indications for use to include treatment of COVID-19 patients*

TORONTO, April 20, 2020 -- Spectral Medical Inc. ("Spectral" or the "Company") (TSX: EDT), a late stage theranostic company advancing therapeutic options for sepsis and septic shock, today announced that Health Canada has issued an Interim Order expanding the already approved indications for use of Spectral's Toraymyxin™ ("PMX") hemoperfusion cartridge specifically for patients with COVID-19.

As part of the Interim Order process, the Health Minister determined that there is an urgent public health need for the importation or sale of PMX. Spectral and its manufacturing partner, collectively applied for the authorization for the Interim Order.

The Interim Order allows for the use of PMX to treat COVID-19 patients, particularly those with acute respiratory failure, diffuse alveolar damage or difficulty with maintaining oxygenation, in the presence of hypotensive shock. Health Canada's Interim Order related to PMX, and the new indication information will be published on the Government of Canada's website under the 'List of Medical Devices for Expanded Use in Relation to COVID-19 Pandemic'. As in the recently announced U.S. FDA supplemental IDE approval, Spectral will provide these therapeutic cartridges free of charge.

There is a very strong scientific case for the use of PMX in COVID-19 patients. PMX has been used to treat patients during other analogous viral pandemics including the avian flu (H5N1) and swine flu (H1N1) pandemics, which also resulted in acute respiratory distress syndrome (ARDS). In previous publications, the use of PMX during these similar viral pandemics showed improvement in chest x-ray results and lung function, and successful wean from mechanical ventilation.

"Improvements in the clinical outcome of these patients may be the direct effect of removing endotoxin," said Debra Foster, VP of Clinical Development at Spectral. "Endotoxin is the primary driver of the cytokine storm and there is reliable evidence that removing endotoxin by the PMX cartridge reduces circulating levels of cytokines. Increased levels of endotoxin activity as measured by our FDA approved Endotoxin Activity Assay (EAA) has been identified in COVID-19 patients in Japan, Italy and the U.S."

"We are very pleased with the issuance of Health Canada's Interim Order which expands the indication for use of the PMX cartridge to include COVID-19 patients in hypotensive shock. There is growing evidence from ICU physicians that endotoxemia is playing a role in the progression to septic shock and death in patients with this severe viremia," state Dr. Paul Walker, President and CEO of Spectral Medical. "Along with our recent U.S. FDA approval to treat COVID-19 patients, I am proud of Spectral's contribution to combat COVID-19. Our team has worked expeditiously to develop the clinical evidence to gain these approvals in the U.S. and Canada. Not only does PMX provide the opportunity to save lives, but it also could relieve the stress on scarce critical care devices such as ventilators. We continue to assess how Spectral's entire product portfolio may aid in fighting the COVID-19 pandemic."

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 Japan and Europe, and has been used safely and effectively on more than 200,000 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 330,000 patients are diagnosed with severe sepsis and septic shock in North America each year.

Spectral, through its wholly owned subsidiary, Dialco Medical Inc. ("Dialco"), is also commercializing a new proprietary platform, "SAMI", targeting the renal replacement therapy ("RRT") market. Dialco is also seeking regulatory approval for "DIMI" which is based on the same RRT platform, but will be intended for home hemodialysis use.

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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