

Spectral Medical Announces that its Wholly-Owned Subsidiary Dialco Medical and Distribution Partner Marathon Medical Awarded Contract to Provide SAMI Dialysis Devices to the US Department of Veterans Affairs

TORONTO, Aug. 08, 2022 -- **Spectral Medical Inc. (“Spectral” or the “Company”)** (TSX: EDT), a late-stage theranostic company advancing therapeutic options for sepsis and septic shock, as well as commercializing a new proprietary platform targeting the renal replacement therapy market through its wholly-owned subsidiary **Dialco Medical Inc. (“Dialco”)**, today announced that Dialco, along with its distribution partner, Marathon Medical Corporation, have been awarded a five year Indefinite Delivery/Indefinite Quantity (IDIQ) contract to provide SAMI CRRT (chronic renal replacement therapy) dialysis devices and associated maintenance services to the United States Department of Veterans Affairs’ (VA) national healthcare system.

The United States Department of Veterans Affairs is a government agency responsible for providing healthcare and other services to veterans. The VA initiated the solicitation of bids in order to streamline the purchasing and contract process, as well as provide enhanced product choices for VA healthcare professionals. Upon review, SAMI was selected and added to the approved product list for VA healthcare facilities nationwide.

Sam Amory, President of Dialco, commented, “We are proud to have our SAMI device selected by the VA and added to the approved product list for healthcare professionals. This selection followed an evaluation of our technology, and successful demonstration of our ability to meet the stringent specifications of the VA, including safety, efficacy, and ease of use. Importantly, our open platform design offers the opportunity for RRT cost control and therapy customization. SAMI also provides clear visuals with an easy-to-read display and rapid set up, which reduces the burden on healthcare staff. Marathon is an ideal partner on this five year IDIQ contract, as they have a successful track record supporting the market with new medical devices and a reputation for timely delivery of supplies. We believe the receipt of this contract award is an important milestone towards accelerating the commercial rollout of our SAMI device.”

Jon Landis, Chief Operating Officer of Marathon, stated, “We are excited to partner with Dialco to improve healthcare outcomes for America’s veterans. SAMI provides an alternative, user friendly and cost effective option to healthcare providers, medical centers and hospitals. We are honored to receive this important contract and look forward to supporting VA medical centers with this innovative healthcare solution.”

About Marathon Medical

Founded in 2022 by Vietnam era veteran, John St. Leger, Marathon Medical is a leading medical supply distribution company and veteran-owned small business, with a focus on federal government customers. Its mission is to provide excellence to the health care supply chain with professional personal service. Marathon Medical works with a variety of manufacturers to provide solutions for every department within the hospital. Marathon works to increase the number of reputable manufacturers that are recommended by VA physicians and purchasing clients. For more information, please visit: www.marathonmed.com.

About Spectral

Spectral is a Phase 3 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 is approved for therapeutic use in Japan and Europe, and has been used safely and effectively on more than 340,000 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. In July 2022, the U.S. FDA granted Breakthrough Device Designation for PMX for the treatment of endotoxemic septic shock. Approximately 330,000 patients are diagnosed with septic shock in North America each year.

Spectral, through its wholly owned subsidiary, Dialco Medical Inc., is also commercializing a new set of proprietary platforms addressing renal replacement therapy (RRT) across the dialysis spectrum. SAMI is targeting the acute RRT market, while DIMI is targeting the chronic RRT market. Dialco is currently pursuing regulatory approval for U.S. in-home use of DIMI, which is based on the same RRT platform as SAMI, but will be intended for home hemodialysis use. DIMI recently received its FDA 510k clearance for use in hospital and clinical settings, and obtained its Health Canada license for use within Canadian hospitals, clinics and in home.

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.

Contact:

Mr. Blair McInnis
CFO
Spectral Medical Inc.
416-626-3233

bmcinnis@spectraldx.com

Mr. Ali Mahdavi
Capital Markets & Investor Relations
Spinnaker Capital Markets Inc.
416-962-3300

am@spinnakercmi.com

David Waldman/Natalya Rudman
US Investor Relations
Crescendo Communications, LLC
212-671-1020

edt@crescendo-ir.com