

SPECTRAL GRANTED IDE APPROVAL BY U.S. FDA TO CONDUCT PIVOTAL TRIAL FOR TORAYMYXIN™

TORONTO, Canada – March 2, 2010 – Spectral Diagnostics Inc. (TSX:SDI), a company developing products for the treatment of sepsis, today announced that the U.S. Food and Drug Administration (FDA) has granted Investigational Device Exemption (IDE) approval for Toraymyxin™, a therapeutic hemoperfusion device that removes endotoxin from the bloodstream, allowing the Company to conduct a pivotal trial in the United States.

The EUPHRATES (Evaluating the Use of Polymyxin B Hemoperfusion in a Randomized controlled trial of Adults Treated for Endotoxemia and Septic shock) trial is a randomized, double-blinded control trial of standard of care versus standard of care and Toraymyxin™ directed by Spectral's Endotoxin Activity Assay (EAA™), an FDA cleared assay for use in sepsis. The trial is expected to enroll approximately 360 patients at 15 sites throughout the U.S. and will have a primary end point of 28 day mortality.

“The FDA's approval of our IDE is a major step forward in the development of Toraymyxin™ for the U.S. market. We are on track to start the pivotal trial in the first half of 2010, using the EAA™ guided approach to endotoxin removal by Toraymyxin™ hemoperfusion in patients with septic shock. This theranostics approach, a combination of a therapeutic and diagnostic, is included in the design of our EUPHRATES trial,” said Dr. Paul Walker, President and CEO of Spectral. “Also incorporated in the trial design is clinical information already available on the use of the Toraymyxin™ column from many previously conducted positive trials completed internationally. We look forward to confirming these findings.”

Dr. Walker continued: “This theranostics strategy should address a major unmet need for more than 250,000 patients per year in the United States alone who suffer from severe sepsis and are at high risk of dying.”

About Spectral Diagnostics

Spectral is a leader in the battle against sepsis. Spectral's lead product is its Endotoxin Activity Assay (EAA™), the only FDA cleared assay for the measurement of endotoxin. With the growing awareness for the role of endotoxemia in sepsis and the increasing number of therapies being developed for this indication, Spectral is well-positioned to drive the adoption of the EAA™, which can be used to identify patients, enable therapeutics and monitor treatment. In March 2009, Spectral obtained the exclusive development and commercial rights in the U.S. for Toraymyxin™, a therapeutic for the treatment of sepsis that removes endotoxin from the bloodstream. Spectral will seek FDA approval for Toraymyxin™ and intends to commercialize the product together with EAA™. Spectral is listed on TSX under the symbol SDI.

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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.