



NOT FOR DISSEMINATION IN THE UNITED STATES

SPECTRAL CLOSES \$19.5 MILLION PRIVATE PLACEMENT FINANCING

TORONTO, Canada – March 3, 2010 – Spectral Diagnostics Inc. (“Spectral” or the “Company”) (TSX:SDI), a company developing products for the treatment of sepsis, today announced the closing of its previously announced private placement of 48,750,000 units of the Company, for gross proceeds of \$19.5 million.

The Company also issued 2,890,625 common shares to GrowthWorks Canadian Fund Ltd. (“GrowthWorks”) at a deemed price of \$0.40 per Common Share as full repayment and final settlement of a non-interest bearing, unsecured convertible promissory note in the principal amount of \$1,156,250 dated June 19, 2006 issued by the Company to GrowthWorks.

“We are very pleased to have completed this transaction with the support of new and existing shareholders. This successful financing indicates that investors recognize the significant commercial opportunity of the Toraymyxin™ treatment for severe sepsis, in combination with our EAA™ diagnostic, representing a potential \$1billion market in the United States,” said Anthony Businskas, Executive Vice President and CFO of Spectral. “We now have the financial resources in place to begin a pivotal trial in the U.S. in the first half of 2010.”

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.