

# Spectra Inc. Corporate Update

For Immediate Release – July 6, 2009

Toronto, Ontario – Spectra Inc. (SSA: TSX VENTURE) would like to update Shareholders on recent activity at its wholly owned subsidiary, Spectra Products Inc. (the “Company”).

The general economic downturn has affected the North American transportation industry significantly during 2009. New truck production has declined 40.6% compared to 2008 while new trailer production sales have also dropped from last year as well. A corresponding decline at truck and trailer dealership levels has reduced new equipment sales and related service-parts sales.

As a result of this decline in the transportation segment, relative to 2008, the Company has refocused its sales activities. Sales activities are being prioritized directly to existing and new fleet customers, with an emphasis on Municipal fleets and Motor Coach fleets.

Andrew Malion, President of Spectra Products, commented, “ The strategic focus on fleets and motor coaches has the goal of creating awareness for the Company’s products and developing a sale to the customer who will benefit both from the safety benefits as well as maintenance savings available from our product line.”

The Company has created an inside sales group to target fleet customers. Direct solicitation of past and current fleet users of the Brake Safe® product has commenced with the goal of introducing the Company’s other product lines. An email communication program targeting cross border fleets entering Ontario is underway. The focus is the recent Ministry of Transportation (MTO) inspection activities involving brake stroke indicators (Highway Traffic Act Reg. 587) and the use of Brake Safe® to avoid roadside warnings, detention and fines.

The Company has introduced a private label line of Termin-8r® based anti-corrosion spray lubricants. The Company is currently producing the product for a major distributor who is selling the private label in both Canada and the United States. The Company has added a new product, Zafety Lug Lock™, to its product line. Zafety Lug Lock™ is designed to reduce the loosening of wheel lug nuts on trucks, trailers and motor coaches. This inexpensive product is being sold by the Company in both the Canadian and U.S. markets through a non-exclusive distribution arrangement.

Recent developments in the United States have the potential to increase the demand for the Company’s product offering:

1. Intermodal chassis trailers are now under the jurisdiction of the Federal Motor Carrier Safety Administration (FMCSA). All Intermodal Equipment Providers (IEPs) are required to establish a systematic inspection, repair and maintenance program to ensure the safe operating condition of each intermodal container chassis. Daily pre-trip inspections by drivers with corresponding inspection reports are compulsory. The regulation was passed December 17, 2008 and became effective June 17, 2009. The compliance deadlines for the new regulations will be staggered over the next two years.

The Company joined the Intermodal Association of North America (IANA), Supplier Division in January 2009. Andrew Malion is a member of IANA’s “Maintenance and Repair Committee Roadability Compliance Task Force”. The Company recently presented its Brake Safe® product line to IANA members at the Intermodal Operating and Maintenance Seminar held in Oak Brook, Illinois April 29-30. The Company is currently in discussions with several IANA members regarding its Brake Safe® product.

2. The Federal Motor Carrier Safety Administration (FMCSA) has made bus/motor coach safety a top priority. A number of high-profile bus and motor coach fires and crashes in the last few years have brought the issue of bus and motor coach safety to the forefront. The Commercial Vehicle Safety Alliance (CVSA) reports that there is a bus or motor coach lost to a fire every 2 days (CVSA DOT Reauthorization Policy Issues, Issue #10).

The Company has undertaken a number of Air Brake Safety presentations during the current year. In March, Brake Inspector<sup>®</sup> was presented to the ABC Companies Collision Workshop held in Clermont, Florida, attended primarily by U.S. industry insurance adjusters. ABC Companies is one of the largest new and pre-owned motor coach sales companies in North America.

The Company also presented its Brake Inspector<sup>®</sup> Air Brake Diagnostic System to the “Vehicle Technical Operating Committee” of the Bus Safety Industry Council. The Council is the safety arm of the American Bus Association. During the June 8, 2009 meeting held in Washington DC, the Company presented in detail the benefits of the Brake Inspector<sup>®</sup> system in identifying brake faults while the vehicle is operating on city streets and highways. The Company is in ongoing discussions with Canadian motor coach operators to implement a retrofit program for air brake activated transit buses and motor coaches.

3. The Commercial Motor Vehicle Advanced Safety Technology Tax Act of 2009 was re-introduced on April 22, 2009. The Bill will amend the Internal Revenue Code of 1986 to provide a credit against income tax to help accelerate the adoption of advanced safety systems for commercial vehicles, school and transit buses. The legislation encompasses both the original equipment (OE) and aftermarket installation of safety systems that include brake stroke monitoring systems. A tax credit of 50 percent of the retail cost of the safety technology to a maximum \$1500 per system up to a maximum of \$3500.00 per vehicle will be available to fleet owners. The annual overall tax credit available for each truck owner or trucking company will be \$350,000 to cover all technology purchases.

The Company has presented its Brake Inspector<sup>®</sup> electronic brake stroke monitoring system to several OE related companies and fleets with the goal of commencing fleet trials of Brake Inspector<sup>®</sup> in advance of the pending legislation. The Company also plans to expand its product awareness efforts with the major insurers of commercial vehicle fleets with the focus on fleet safety and the corresponding potential impact on insurance premiums.

Spectra Inc., through its wholly owned subsidiary, Spectra Products Inc., is the Toronto-based North American designer, manufacturer and distributor of Brake Safe<sup>®</sup>, the visual brake stroke indicating system, Brake Inspector<sup>®</sup>, the company’s electronic in-cab air brake diagnostic system and the Termin-8R<sup>®</sup> line of anti-corrosion and extreme pressure lubricants. Spectra distributes Zafety Lug Lock<sup>™</sup>, an innovative, new product that uses the resistance between wheel nuts to minimize their ability to rotate and loosen, reducing the risk of wheel damage or wheel loss.

Except for the historical information contained herein, this news release contains forward looking statements that involve risks and uncertainties, including the impact of competitive products and pricing and general economic conditions as they affect the Corporation’s customers. Actual results and developments may therefore differ materially from those described in this release.

On behalf of the Board of Directors,  
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