

Spectra Inc. Announces Private Placement

For Immediate Release – November 16, 2006

Toronto, Ontario – Spectra Inc. (TSX Venture Exchange: SSA)("Spectra" or the "Corporation") proposes to issue up to twenty five million (25,000,000) units ("Units") at a price of \$0.05 per Unit, each Unit consisting of one (1) common share and one (1) warrant. Each warrant will be exercisable at a price of \$0.10 for two (2) years from the date of issue for gross proceeds of up to \$3,750,000. The issuance of these securities is subject to regulatory consent, and the common shares issued will be subject to a four-month hold period. The Corporation also proposes to issue a convertible debenture in the amount of \$1,250,000 bearing interest at no more than 10 percent, compounded annually. The debenture is repayable over a five-year term. The debenture holder has the right to convert in whole or part the debenture into up to 25,000,000 common shares of the Corporation at a deemed price per share as follows: year 1 and year 2 at \$0.05; year 3 at \$0.055; year 4 at \$0.061; year 5 at 0.067. Upon conversion, the common shares issued will be subject to applicable hold periods in effect at the time of conversion.

The proposed private placement will result in the Corporation issuing up to 25,000,000 common shares with a potential for an additional issuance of 25,000,000 common shares upon exercise of the warrants. The current issued and outstanding common shares total 37,536,837. The closing of the proposed private placement will result in a "Change of Control" and the formation of a new "Control Person" as such terms are defined in the policies of the TSX Venture Exchange. The proposed transaction requires shareholder consent and an Annual General and Special Meeting of the shareholders has been scheduled for December 11, 2006.

The Corporation will use the proceeds from the financing for working capital purposes, research and development, the purchase of capital equipment and the production of inventory.

Spectra, through its wholly owned subsidiary, Spectra Products Inc., is the Toronto-based North American designer, manufacturer and distributor of Brake Safe[®], the visual brake stroke indicating system and Brake Inspector[®], Spectra's electronic in-cab air brake diagnostic system.

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This press release may contain forward looking statements including those describing the Corporation's future plans and the expectations of management that a stated result or condition will occur. Any statement addressing future events or conditions necessarily involves inherent risk and uncertainty. Actual results can differ materially from those anticipated by management at the time of writing due to many factors, the majority of which are beyond the control of the Corporation and its management.

For further information please contact:

Andrew J. Malion, Chairman

Spectra Inc.

Tel: (416) 252-2355

Fax: (416) 252-2410

Email: ssa@spectra-ssa.com

Website: www.spectra-ssa.com