



SPECTRA7 ANNOUNCES ESTIMATED RESULTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2016

September 26, 2016 – Toronto, ON and Palo Alto, CA – (TSX:SEV) Spectra7 Microsystems Inc. (“Spectra7” or the “Company”) today is announcing it expects to record revenues for the three months ended September 30, 2016 at between \$1.0M and \$1.3M. The shortfall in revenue when compared to Q1 2016 and Q2 2016 stems from slower production ramp-ups of current customers resulting in lower demand for Spectra7 products. Expected September YTD revenues of \$6.1M to \$6.4M remain well ahead of 2015 September YTD revenues of \$2.7M. We expect gross margin percentage and operating expenses to be roughly equivalent to the levels reported for the first six months of 2016. All amounts are in US dollars unless otherwise noted.

ABOUT SPECTRA7 MICROSYSTEMS INC.

Spectra7 Microsystems Inc. is a high performance consumer connectivity company delivering unprecedented bandwidth, speed and resolution to enable disruptive industrial design for leading consumer electronics manufacturers in virtual reality, augmented reality, wearable computing, data centers and ultra-HD 4K/8K displays. Spectra7 is based in Palo Alto, California, with design centers in Markham, Ontario, Cork, Ireland, and Little Rock, Arkansas. For more information, please visit www.spectra7.com.

CAUTIONARY NOTES

Certain statements contained in this press release constitute “forward-looking statements”. All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the Company’s future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words “believe”, “expect”, “aim”, “intend”, “plan”, “continue”, “will”, “may”, “would”, “anticipate”, “estimate”, “forecast”, “predict”, “project”, “seek”, “should” or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company’s expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to the risk factors discussed in the Company’s annual MD&A for the year ended December 31, 2015. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the

actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

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