



FOR IMMEDIATE RELEASE

OSI Geospatial Signs US\$1.3 Million ECPINS® Software Upgrade Contract for the Australian Navy

**March 3, 2009
Ottawa, Canada**

OSI Geospatial Inc. (TSX:OSI) announced today that its International Systems Operations has signed a contract with the Australian Navy valued at approximately US\$1.3 million. Under the terms of the contract, the company will provide a software upgrade and 12 months of software support.

"We are pleased that the Australian Navy has decided to upgrade to our most advanced ECPINS software and take the first step towards establishing a long term support arrangement," said Ken Kirkpatrick, president and CEO. "Several of our customers have moved forward on establishing long-term support contracts and we believe the Australian Navy will expand the duration of their agreement in the near future. These support contracts provide the company a reoccurring revenue stream with which we can improve our products and better serve our customers."

About OSI Geospatial

OSI Geospatial Inc. delivers advanced geospatial systems and software that enable shared real-time situational awareness for military and security applications. Our products and services enable our customers to integrate and visualize live data with any combination of sensor data, imagery, maps and charts. This capability provides our customers with enhanced operational performance, safety and security through shared real-time situational awareness. OSI Geospatial systems and software are in use by military, government, and commercial customers around the world. The company is publicly traded on the Toronto Stock Exchange. For additional information please visit www.osigeospatial.com.

Forward-Looking Statements

This press release contains forward-looking statements and information which reflect the current view of OSI Geospatial Inc ("OSI") with respect to future events and financial performance. Any such forward-looking statements are subject to risks and uncertainties and OSI's actual results of operations could differ materially from historical results or current expectations. Additional information on these and other potential factors that could affect OSI's financial results are detailed in disclosure documents filed from time to time with the applicable Canadian securities regulatory authorities.

The Toronto Stock Exchange has neither approved nor disapproved the form or content of this release.

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News Release

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