



U.S. Coast Guard chooses the ECPINS[®] Navigation System

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Vancouver, Canada

Offshore Systems Ltd. is pleased to announce its sister company, CHI Systems, the U.S. Systems Operations of OSI Geospatial has recently been awarded a contract to provide the U.S. Coast Guard (USCG) with ECPINS[®] navigation systems. The systems will be installed on nine ice breaking tugs (seven new installations and two upgrades to existing units) and one shore base facility. The ECPINS solution comprises of Offshore System's industry leading software, including specific USCG functionality and hardware components specifically designed for the bridge environment of this vessel class.

"This is our first significant contract with the U.S. Coast Guard since 2002 and we are very pleased to be working with them," said Ken Kirkpatrick, president and CEO, OSI Geospatial. "The U.S. Coast Guard has more than 250 vessels in their fleet and we are committed to growing our business with this very important customer."

OSI currently has a U.S. Coast Guard installed base of 34 vessels and this contract will bring the total to 41 vessels.

About Offshore Systems Ltd.

Offshore Systems is a leading provider of marine electronics solutions. The company offers broad and versatile product lines including electronic chart systems for navigation and situational awareness, voyage data recorders and system components for bridge electronics. Over the years, defence and commercial customers have relied on Offshore Systems for its extensive experience and expertise in bridge and sensor integration with real-time display of electronic charts. As a result, the company has a worldwide customer base that has chosen their preferred products and services for innovative vessel navigation and bridge control solutions.

About OSI Geospatial

OSI Geospatial Inc. delivers advanced systems and software to address the growing need for enhanced situational awareness in command, control, communications, and intelligence applications. By providing essential tactical and geospatial information, the company's systems and software help decision-makers know the precise location of mission operations across all military forces while integrating information with allies. OSI Geospatial systems are in use by military, government, and commercial customers around the world. The company is publicly traded on the Toronto Stock Exchange (OSI) and the Over the Counter Bulletin Board (OSIIF). For additional information please visit www.osigeospatial.com.

Forward-Looking Statements

Certain statements made in this news release that are not based on historical information are forward-looking statements which are made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934 and Section 138.4(9) of the Ontario Securities Act. These forward-looking statements are subject to risks and uncertainties. Actual results may differ from these projections. The risks associated with the Company's business include risks related to its reliance on international government contracts; the number of large customer transactions and the related lengthy sales



cycles in executing those opportunities; uncertainties associated with competitive bidding processes and contract negotiations; actions by government authorities; the effects of general economic and political conditions; changing foreign exchange rates; and challenges related to the company's ability to introduce, develop and implement new products and enhancements to existing products that respond to customer requirements in a changing, complex, technological market. A complete discussion of the company's risk factors is presented in the company's most recent annual reports, filed with the United States Securities and Exchange Commission ("SEC") and the Canadian Securities Administrators ("CSA"), as well as other periodic reports filed with the SEC and the CSA. The Company does not undertake any obligation to update the forward-looking statements.

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