



The Royal New Zealand Navy to Upgrade Project Protector Fleet to ECPINS[®] W

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Vancouver, Canada

Offshore Systems Ltd. has secured a contract to upgrade the Royal New Zealand Navy's (RNZN) Project Protector Fleet to ECPINS W vessel-wide.

In 2003-2004, Offshore Systems was awarded a contract through a competitive bid process to deploy ECPINS M across the RNZN's entire fleet, as well as throughout the Navy's training facilities. A deciding factor in awarding this contract was ECPINS M's high level of compliance with the North Atlantic Treaty Organization (NATO) Warship Electronic Chart Display Information System (WECDIS) standard.

"By upgrading to ECPINS W, the RNZN Project Protector Fleet is now fully compliant with the NATO WECDIS STANAG," says Jim Davison, Director of Sales, Offshore Systems. "ECPINS W provides significant tactical advantage and will enable the RNZN Project Protector vessels to operate most effectively with a superior navigational and situational awareness picture."

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. For additional information please visit www.osigeospatial.com/offshoresystems.

About OSI Geospatial

OSI Geospatial Inc. delivers advanced geospatial systems and software that enable *shared real-time situational awareness* for military, safety 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 (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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