



FOR IMMEDIATE RELEASE

OSI Geospatial Signs Contract to Provide World Leading Navigation Software for UK Royal Navy Patrol Vessels

December 30, 2008
Ottawa, Ontario

OSI Geospatial Inc. (TSX: OSI) announced today that its International Systems Operations has signed a contract valued at approximately \$400,000. Under the terms of this contract, the company will provide software and hardware that will be installed on the UK Royal Navy P2000 class patrol vessels.

“We continue to make good progress in developing the patrol vessel market,” said Ken Kirkpatrick president and CEO of OSI Geospatial. “The military and security patrol vessel market presents a significant opportunity for our company.”

Governments around the world are building thousands of small boats designed to support coastal, harbour and in-land operations. There is a high demand for small boats that can be deployed quickly to respond to and mitigate security threats. OSI's world leading navigation and command and control technology and market leadership position provide the company with a clear advantage in developing this market.

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. 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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