



FOR IMMEDIATE RELEASE

OSI Geospatial Signs UK Royal Navy Contracts Valued at US\$2 Million

**August 13, 2008
Ottawa, Canada**

OSI Geospatial Inc. (TSX: OSI) announced today that its International Systems Operations has signed follow-on contracts valued at approximately US\$2 million. Under the terms of these contracts, the company will provide enhancements to the Warship ECDIS and AIS systems previously delivered to the UK Royal Navy.

"The Royal Navy is a valued customer and we are pleased that our relationship continues to strengthen. The award of these contracts confirms their commitment to our command and control technology and our ability to meet their operational requirements," said Ken Kirkpatrick, president and CEO of OSI Geospatial.

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 (OSI). 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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