



OSI GEOSPATIAL INC.

CODE OF ETHICS FOR FULL-TIME AND PART-TIME EMPLOYEES

V4 February 2007

OSI Geospatial Inc. and its subsidiaries and affiliates (collectively referred to in this document as the “Company” or “we”) are committed to conducting business in accordance with all the highest standards of business ethics including complying with applicable laws, rules, regulations and stock exchange policies. We are committed to full and accurate financial disclosure in compliance with applicable laws. This Code of Ethics is applicable to all employees of the Company and sets forth specific policies to guide the employee in the performance of the employee’s duties. The Company is responsible for setting the standards of conduct contained in this Code of Ethics and for updating these standards as appropriate to reflect legal and regulatory developments.

BACKGROUND

Ethical lapses can damage the Company, and damage done by one individual hurts all of the Company’s employees, shareholders and our customers. Collapses like “ENRON” and others make it clear that the actions of a few employees can have severe and far-reaching consequences. With this as background, this Code of Ethics serves three purposes:

- it highlights some of the important ethical issues in business so that all employees are aware of them;
- it provides guidance so that employees do their part to ensure that the Company operates in an ethical way;
- it provides protection for whistle-blowers, so those lapses that occur, regardless of whether they are intentional or inadvertent, can be reported without fear of reprisal.

As an employee of the Company, the employee has a duty to not only comply with applicable laws, but also to conduct themselves in an honest and ethical manner and to help us foster a culture of high ethical standards and commitment to compliance with this Code of Ethics. The Company does not seek competitive advantage through illegal or unethical business practices. Each employee should endeavour to deal honestly with the Company’s customers, suppliers, competitors and fellow employees. No employee should take advantage of anyone through abuse of privileged information, misrepresentation of material facts, manipulation or concealment.

As a guide to proper behaviour, the Company recommends that employees not do anything that they would not like to see reported to their friends and family in the newspaper. Unethical or illegal acts often receive precisely this treatment.

We expect every employee to read and understand this Code of Ethics and its application to the performance of his or her business responsibilities, and we will hold the employee accountable for adherence to it.



RELATED DOCUMENTS AND POLICIES

This Code of Ethics acts in conjunction with any policies and procedures related to business conduct and ethics that the Company has already adopted.

The employee is responsible for reading Company policies and procedures as well as periodically reviewing them. The employee will also be bound by the requirements and standards set forth in any code of business conduct and ethics that may be adopted by the Company, as well as those set forth in this Code of Ethics.

PROPER BUSINESS PRACTICES

As representatives of the Company, employees will engage in business activities that emphasize the quality, service and competitive features of our products and services. Employees must confine their activities to using only legal, proper and ethical means to maintain markets and they must not be involved in any practices that could embarrass or damage the Company, its employees, its customers or its potential customers. Examples of such practices include, but are not limited to,:

- making deceptive or misleading statements about the Company's products or services
- violating any law or regulation, either domestically or in a foreign jurisdiction, with particular attention being paid to the U. S. Foreign Corrupt Practices Act and its international counterparts. Refer to <http://www.usdoj.gov/criminal/fraud/fcpa/dojdocb.htm> for further details about this Act, which applies to us because we're registered with the SEC.
- attempting to convince or coerce individuals to place their personal interests above the interests of the Company or the organization they represent
- attempting to restrict competition in contravention of the Competition Act or its counterpart in other countries. For further details, refer to <http://laws.justice.gc.ca/en/C-34>
- engaging in any activity that could negatively reflect on the reputation of the Company.

CONFLICTS OF INTEREST

The employee is obligated to conduct Company business in an honest and ethical manner includes the ethical handling of conflicts between personal and Company interests. A conflict of interest occurs when an individual's private interest interferes or appears to interfere with the interests of the Company. Such conflicts of interest may make it difficult to perform work objectively and effectively. Service to the Company should never be subordinated to personal gain and advantage.

A conflict of interest may exist when it appears to a reasonable and objective observer that the employee receives a personal private benefit as a consequence of a business decision or business relationship. Before making any investment, accepting any position or benefits, participating in any transaction or business arrangement or otherwise acting in a manner that creates or reasonably appears to create a conflict between the employee interests and the interests of the Company, or if the employee is unsure whether an action the employee may take might be considered a conflict of interest, the employee must make full disclosure of all facts and circumstances to the employee manager. Full disclosure includes:

- a description of the proposed outside activities as well as the employee's level of involvement and the relationship, if any, to the employee's job or duties
- the nature of the conflict or any potential conflict



- the potential risk to the employer
- when the conflict of interest first arose or may first arise
- who else may be involved, e.g. a supplier or another employee, and how

For the employee's own protection, this disclosure should be in writing. After reviewing the circumstances and making appropriate enquiries, the Company will determine what if any response or course of action is warranted and will communicate this determination to the employee as soon as possible.

RELATIONSHIPS WITH SUPPLIERS AND PRESENT OR POTENTIAL CUSTOMERS

We will treat all suppliers fairly and respectfully, purchasing products based on price, quality, consistency, reliability, and availability rather than on any personal relationship an employee, or his or her family member or acquaintance, may have with a supplier.

To avoid perceptions of favouritism, employees, members of employees' families and acquaintances of employees must not accept or offer business courtesies (as defined below) greater than \$100.00 in value or a personal discount that is not made available to the general public. If the employee is unsure of whether to accept a business courtesy, contact the employee manager who will then contact senior management for direction. If the employee feels that it was offered a gift to influence their objectivity with respect to a business decision, the employee must report the matter to their manager.

A "business courtesy" is a gift, gratuity, hospitality or favour from companies or persons with whom the Company maintains or may establish a business relationship. A business courtesy may be a tangible or intangible benefit and is typically received by an employee at a cost below fair market value. The benefits can include, but are not limited to, gifts, meals, drinks, entertainment (including tickets and passes), recreation (including golf course, tennis and other participation fees), door prizes, honoraria, discounts, vouchers, promotional items, or the use of a donor's time, materials, facilities or equipment.

Socializing with current or prospective customers or suppliers must be done in a professional manner. Accordingly, employees must ensure that their manager is aware of such activity. With respect to a business relationship with customers, limited business-related entertainment, favours or gifts may be offered to customers if all the following criteria are met:

- the items offered are legal
- the value of the item would not be viewed as improper by the Company or the recipient
- such favours would not be embarrassing to the Company or the recipient
- favours or gifts are approved by the appropriate manager
- the offer of the item must be made so as to honour any of the customer's guidelines (e.g. government employees and enlisted personnel have guidelines for acceptance that they must abide by).

Employees must not place themselves in a position of being under obligation to a supplier or customer. This includes allowing suppliers or customers to use their influence on an employee's behalf or in a manner that will benefit an employee.



CORPORATE BUSINESS OPPORTUNITIES

Employees owe a duty to the Company to advance the Company's business interests first when opportunities to do so arise. If a business opportunity, discovered through the use of corporate information, property or position, has been offered to the Company and it has turned it down in writing, then and only then may an employee take advantage of the opportunity or enable a third party to take advantage of the opportunity.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The employee is required to comply with the laws, rules and regulations that govern the conduct of our business, both within the United States, Canada and in any other country where we conduct business. The employee must report to management any suspected violations in accordance with the section below entitled 'Compliance with the Code of Ethics'.

DISCLOSURE IN REPORTS AND DOCUMENTS

It is our policy to make full, fair, accurate, timely and comprehensible disclosure, in compliance with all applicable laws, rules and regulations, in all reports and documents that we file with, or submit to, the U.S. Securities and Exchange Commission and the securities commission of each province or territory in Canada to which we report, and in all other public communications made by us. All employees are to be familiar with and abide by our standards, policies and procedures designed to promote compliance with this policy to the extent relevant to his or her area of responsibility.

Each person with direct or supervisory authority on securities filings or the Company's other public communications must consult with the Company's officers or other employees and take other steps to make all disclosures full, fair, accurate, timely and understandable. In addition, each employee who is involved in the Company's disclosure process must:

- a) familiarize himself or herself with the disclosure requirements applicable to the Company as well as the business and financial operations of the Company,
- b) not knowingly misrepresent, or cause others to misrepresent, facts about the Company to others, whether within or outside the Company, including to the Company's independent auditors, governmental regulators and self-regulatory organizations, and
- c) properly review and critically analyze proposed disclosure for accuracy and completeness (or, where appropriate, delegate this task to others).

COMPLIANCE WITH THE CODE OF ETHICS

If the employee knows of or suspect a violation of applicable laws, rules, or regulations of this Code of Ethics, the employee must immediately report the information to an appropriate party, be that the employee manager, the President & CEO, or the Chair of the Board of Directors. They may, in turn, refer complaints to the Board of Directors or the appropriate committee of the Board of Directors. Failure to report a violation is in itself a violation of the Code of Ethics. Refer to the Employee Whistleblower policy for further details.

If the employee wishes to discuss a concern or issue that is not financial or regulatory based, there are



several avenues available to the employee. The employee may talk to the employee supervisor, Human Resources, or the management of the Company. If the employee wishes to remain anonymous and/or wish to talk to an outside entity, the employee may contact the Company's neutral third-party confidential Ethics Hotline managed by a third party.

No employee will be subject to retaliation by the Company if he or she makes a good faith report of a suspected violation. Any other retaliation by employees will result in disciplinary action, up to and including termination of employment or a consulting relationship.

The Company will investigate any alleged or suspected violation of this Code of Ethics within a reasonable time following receipt of information suggesting a violation. The Company, in its sole discretion, will determine an appropriate person or persons to conduct the investigation. The Company will take action, as it deems appropriate, to respond to any violation of this Code of Ethics, including, where appropriate, disciplinary action up to and including termination of employment.