



Geospatial Holdings, Inc.

News Release

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Geospatial Holdings Forms Subsidiary to Integrate Its Smart Probe Technologies With Trenchless Pipeline Rehab Methods

Company Announces Pipeline Rehabilitation Contracts

PITTSBURGH, PA. - (July 1, 2008) - Geospatial Holdings, Inc. (OTC BB: GSPH) today announced the formation of Geospatial Pipeline Services, LLC a wholly-owned subsidiary formed to integrate its Smart Probe Pipeline Mapping Technologies with various state of the art trenchless pipeline rehabilitation methods. The Company also announced the signing of two contracts by Geospatial Pipeline Services, LLC.

The first project in the amount of \$614,705 is with Capitol Paving, Inc. of Washington, DC to evaluate and rehabilitate a 75 " – 100 year old brick tunnel below Benning Road in Washington, DC. The work by Capitol Paving is being performed jointly for the DC Department of Public Works and DC WASA (DC Water and Sewer Authority).

The second project, for \$60,192 is with Rustler Construction Company, LLC of Lanham, Maryland to evaluate and reline an existing 24" concrete storm water line.

Mark A. Smith, Geospatial's Chief Executive Officer stated, "The ability of our Pipeline Services group to utilize our Smart Probe Mapping Technologies to accurately map the interior geometry of the pipeline to determine its precise bending radius and centerline allows us to better determine the proper rehabilitation methods to be used."

The Company has hired Tim Nippes, former founder and president of Mid-Atlantic Pipe Services, Inc. of College Park, Maryland as the new president of Geospatial Pipeline Services. Mr. Nippes stated, "I have been involved in the construction and pipeline rehabilitation industry for 40 years, and I have never seen a more exciting technology than Geospatial's Smart Probe. For the first time, we can actually understand what is happening inside of a pipeline before we have to determine how to fix it. Unlike a video camera, our Smart Probes give us a 3-dimensional, spatially correct view of the interior of the pipeline and also places that pipeline (again in 3-D) in its exact location underground."

Geospatial Pipeline Services, LLC is headquartered at 5411 Berwyn Road, College Park, Maryland and will offer its specialized pipeline services throughout North America.

ABOUT GEOSPATIAL

Based in Pittsburgh, Pennsylvania, Geospatial operates globally through its two wholly-owned operating subsidiaries, Geospatial Mapping Services, Inc. (d/b/a Geospatial Corporation) and Geospatial Pipeline Services, LLC. Geospatial is an innovative solutions provider of proprietary technologies that permit the accurate mapping and interior geometry assessments of underground pipelines. Geospatial's technologies permit the Company to economically collect, store and retrieve XYZ mapping coordinates of a pipeline centerline to create three-dimensional Geographic Information System (GIS) databases.

Additional information on Geospatial can be found on our website at www.geospatialholdings.com.

Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. The Company makes forward-looking statements in this news release that represent the Company's beliefs or expectations about future events or financial performance. These forward-looking statements are based on information currently available to the Company and on management's beliefs, assumptions, estimates and projections and are not guarantees of future events or results. When used in this document, the words "anticipate," "estimate," "believe," "plan," "intend," "may," "will" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. Such statements are subject to known and unknown risks, uncertainties and assumptions, including those referred to in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the year ended December 31, 2007, as filed with the Securities and Exchange Commission (the "Commission") on March 10, 2008 and in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's Report on Form 8-K filed with the Commission on May 1, 2008. In light of these risks, uncertainties and assumptions, the forward-looking events discussed may not occur. In addition, our actual results may vary materially from those anticipated, estimated, suggested or projected. Except as required by law, we do not assume a duty to update forward-looking statements, whether as a result of new information, future events or otherwise. Investors should, however, review additional disclosures made by the Company from time to time in its periodic filings with the Securities and Exchange Commission. Please use caution and do not place reliance on forward-looking statements. All forward-looking statements made by the Company in this news release are qualified by these cautionary statements.

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