

## NEWS RELEASE

Attention business/financial editors and reporters:

### **AEROQUEST INTERNATIONAL LIMITED (TSX-V:AQL) Announces the loss of an AeroTEM™ survey system and updates its fleet count**

**Mississauga, ON** – February 25, 2008 - Aeroquest International Limited announced today that one of its airborne geophysical survey systems, an AeroTEM III, struck a tree during the course of a survey in Ontario recently. There were no personal injuries or damage to the helicopter during the incident, but the structure of the AeroTEM system sustained heavy damage.

After reviewing the damage to the system and the expected costs and time frame to repair; the Company decided today not to proceed with a repair. It was determined that most of the components of the system are recoverable, but the Company concluded that it was not feasible to repair the frame itself.

“We have been working on improving our capacity to manufacture AeroTEM systems.” said Roy Graydon, President & CEO of Aeroquest; “Though a combination of improved throughput and some manufacturing overtime, we believe that we can replace the lost system within the next four months.”

While the loss of the system is not expected to materially affect the Company’s overall results in 2008, it is expected to negatively impact second quarter revenues by up to five per cent. The system was insured and the Company expects to fully recover the cost of the damaged components.

To date in the second quarter, the Company has also brought one new AeroTEM III system, one Impulse™ system and one of Geophex’s GEM-2A™ systems into production and so, as of today’s date, the Company’s fleet of active systems sits at 23 systems, as summarized in the following table:

	<b>Helicopter</b>	<b>Fixed wing</b>	<b>Total</b>
<b>AeroTEM</b>	8		8
<b>Impulse/GEM-2A</b>	3		3
<b>Magnetics</b>			
<b>Single sensor</b>	2	5	7
<b>Multi-sensor</b>	2	3	5
<b>Total</b>	15	8	23

#### *About Aeroquest International*

Aeroquest International is a global information and technology services company and a leader in the development and operation of innovative and proprietary geophysical surveying platforms for the mineral and petroleum exploration, and environmental services industries. Directly, and through its sister companies UTS Geophysics and Geophex, Aeroquest fields a fleet of helicopter and fixed wing systems and is active around the world. More information about Aeroquest can be found at [www.aeroquest.ca](http://www.aeroquest.ca). More information on UTS Geophysics can be found at [www.uts.com.au](http://www.uts.com.au). More information on Geophex can be found at [www.geophex.com](http://www.geophex.com).

*For Investors*

This news release may include statements about expected future events and/or financial results that are forward-looking in nature and subject to risks and uncertainties. The Company cautions that actual performance will be affected by a number of factors, many of which are beyond its control. Future events and results may vary substantially from what the Company currently foresees. Discussion of the various factors that may affect future results is contained in the Company's recent filings, available on SEDAR.

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*

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