UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED:

SEPTEMBER 30, 2016 OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

COMMISSION FILE NUMBER: 333-04066

GEOSPATIAL CORPORATION

(Exact name of registrant as specified in its charter)

NEVADA	**87-0554463**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

229 Howes Run Road, Sarver, PA 16055
(Address of principal executive offices)

(724) 353-3400
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files): YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐		Accelerated filer	☐
Non-accelerated filer	☐	(Do not check if a smaller reporting company)	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): YES ☐ NO ☒

The number of $.001 par value common shares outstanding at November 10, 2016: 225,229,740.

FORWARD-LOOKING STATEMENT NOTICE

The statements set forth in this report which are not historical constitute “Forward-Looking Statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Rule 3b-6 promulgated thereunder, including statements regarding our expectations, beliefs, intentions or strategies for the future. When used in this report, the terms “anticipate,” “believe,” “estimate,” “expect” and “intend” and words or phrases of similar import, as they relate to our business or our subsidiaries or our management, are intended to identify Forward-Looking Statements. These Forward-Looking Statements are only predictions and reflect our views as of the date they are made with respect to future events and financial performance. Forward-Looking Statements are subject to many risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the Forward-Looking Statements.

Because our common stock is considered to be a “penny stock”, the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995 do not apply to such Forward-Looking Statements.

Our business involves various risks, including, but not limited to, our ability to implement our business strategies as planned in a timely manner or at all; our lack of operating history; our ability to protect our proprietary technologies; our ability to obtain financing sufficient to meet our capital needs; our inability to use historical financial data to evaluate our financial performance; and the other risk factors identified in our filings with the Securities and Exchange Commission.

Because the risk factors referred to above could cause actual results or outcomes to differ materially from those expressed or implied in any forward-looking statements made by us or on our behalf, readers of this report should not place undue reliance on any forward-looking statement. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligations to update any Forward-Looking Statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of future events or developments. New factors emerge from time to time, and it is not possible for us to predict which factors will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any Forward-Looking Statements.

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION 3

ITEM 1. FINANCIAL STATEMENTS 3

ITEM 2. MANAGEMENT’S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 17

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK 19

ITEM 4. CONTROLS AND PROCEDURES 19

PART II - OTHER INFORMATION 20

ITEM 2. SALES OF UNREGISTERED EQUITY SECURITIES AND USE OF PROCEEDS 20

ITEM 6. EXHIBITS 21

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

GEOSPATIAL CORPORATION

INDEX

	Page
FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2016 AND DECEMBER 31, 2015 AND FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2016 AND 2015	
Consolidated Balance Sheets (Unaudited)	4
Consolidated Statements of Operations (Unaudited)	5
Consolidated Statements of Changes in Stockholders' Deficit (Unaudited)	6
Consolidated Statements of Cash Flows (Unaudited)	7
Notes to Unaudited Consolidated Financial Statements	8

Geospatial Corporation and Subsidiaries
Consolidated Balance Sheets

	September 30, 2016 (Unaudited)	December 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	$ 114,810	$ 16,962
Accounts receivable	67,971	44,100
Prepaid expenses and other current assets	88,956	111,927
Total current assets	271,737	172,989
Property and equipment:		
Field equipment	354,281	339,079
Field vehicles	43,285	43,285
Total property and equipment	397,566	382,364
Less: accumulated depreciation	(327,878)	(245,208)
Net property and equipment	69,688	137,156
Total assets	$ 341,425	$ 310,145
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 346,936	$ 533,578
Accrued expenses	810,608	2,028,220
Due to related parties	—	157,286
Current portion of capital lease liability to related party	3,555	3,479
Notes payable	1,495,475	1,488,748
Accrued registration payment arrangement	536,515	547,315
Total current liabilities	3,193,089	4,758,626
Non-current liabilities:		
Capital lease liability to related party	603	3,278
Total non-current liabilities	603	3,278
Total liabilities	3,193,692	4,761,904
Stockholders' deficit:		
Preferred stock:		
Undesignated, $0.001 par value; 10,000,000 and 20,000,000 shares authorized at September 30, 2016 and December 31, 2015, respectively; no shares issued and outstanding at September 30, 2016 and December 31, 2015	—	—
Series B Convertible Preferred Stock, $0.001 par value; 5,000,000 shares authorized at September 30, 2016 and December 31, 2015; no shares issued and outstanding at September 30, 2016 and December 31, 2015	—	—
Series C Convertible Preferred Stock, $0.001 par value; 10,000,000 and 0 shares authorized at September 30, 2016 and December 31, 2015, respectively; 4,543,654 and 0 shares issued and outstanding at September 30, 2016 and December 31, 2015, respectively	4,544	—
Common stock, $.001 par value; 750,000,000 and 350,000,000 shares authorized at September 30, 2016 and December 31, 2015; 188,867,740 and 143,336,073 shares issued and outstanding at September 30, 2016 and December 31, 2015, respectively	188,868	143,336
Additional paid-in capital	38,357,940	36,031,156
Additional paid-in capital, warrants	54,278	—
Accumulated deficit	(41,457,897)	(40,626,251)
Total stockholders' deficit	(2,852,267)	(4,451,759)
Total liabilities and stockholders' deficit	$ 341,425	$ 310,145

The accompanying notes are an integral part of these consolidated financial statements.

Geospatial Corporation and Subsidiaries
Consolidated Statements of Operations
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2016	**2015**	**2016**	**2015**
Sales	$ 132,371	$ —	$ 572,371	$ 20,800
Cost of sales	54,838	33,545	185,374	113,114
Gross profit (loss)	77,533	(33,545)	386,997	(92,314)
Selling, general and administrative expenses	463,657	698,559	1,240,381	2,021,897
Net loss from operations	(386,124)	(732,104)	(853,384)	(2,114,211)
Other income (expense):				
Interest expense	(47,334)	(41,794)	(180,106)	(163,709)
Gain on extinguishment of debt	58,603	73,181	192,124	219,544
Registration payment arrangements	(482,863)	—	9,720	1,190,446
Total other income (expense)	(471,594)	31,387	21,738	1,246,281
Net loss before income taxes	(857,718)	(700,717)	(831,646)	(867,930)
Provision for income taxes	—	—	—	—
Net loss	$ (857,718)	$ (700,717)	$ (831,646)	$ (867,930)
Basic and fully-diluted net loss per share of common stock	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)

The accompanying notes are an integral part of these consolidated financial statements.

Geospatial Corporation and Subsidiaries
Consolidated Statements of Changes in Stockholders' Deficit
For the Nine Months Ended September 30, 2016
(Unaudited)

	Preferred Stock		Common Stock		Additional Paid-In Capital	Additional Paid-In Capital, Warrants	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance, December 31, 2015	—	$ —	143,336,073	$143,336	$36,031,156	$ —	$ (40,626,251)	$(4,451,759)
Sale of Series C Convertible Preferred Stock, net of issuance costs	2,750,000	2,750	—	—	540,623	—	—	543,373
Sale of common stock, net of issuance costs	—	—	1,375,000	1,375	98,625	—	—	100,000
Issuance of common stock in settlement of liabilities	—	—	33,048,667	33,049	1,168,127	—	—	1,201,176
Issuance of Series C Convertible Preferred Stock in settlement of liabilities	1,793,654	1,794	—	—	356,937	—	—	358,731
Exercise of warrants to purchase common stock, net of issuance costs	—	—	11,000,000	11,000	99,000	—	—	110,000
Conversion of liabilities to warrants to purchase common stock	—	—	—	—	—	54,278	—	54,278
Issuance of convertible securities with beneficial conversion features	—	—	—	—	62,500	—	—	62,500
Issuance of common stock for registration penalty	—	—	108,000	108	972	—	—	1,080
Net loss for the nine months ended September 30, 2016	—	—	—	—	—	—	(831,646)	(831,646)
Balance, September 30, 2016	4,543,654	$ 4,544	188,867,740	$188,868	$38,357,940	$ 54,278	$ (41,457,897)	$(2,852,267)

The accompanying notes are an integral part of these consolidated financial statements.

Geospatial Corporation and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

	For the Nine Months Ended September 30,	
	2016	**2015**
Cash flows from operating activities:		
Net income (loss)	$ (831,646)	$ (867,930)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	82,670	90,856
Amortization of deferred debt issue costs	—	53,114
Amortization of discount on notes payable	62,500	—
Gain on extinguishment of debt	(192,124)	(219,543)
Accrued registration payment arrangement	(9,720)	(1,190,446)
Accrued interest payable	95,586	104,207
Changes in operating assets and liablities:		
Accounts receivable	(23,871)	32,800
Prepaid expenses and other current assets	22,971	(29,880)
Accounts payable	(10,832)	115,676
Accrued expenses	74,127	575,100
Due to related parties	(504)	41,262
Net cash used in operating activities	(730,843)	(1,294,784)
Cash flows from investing activities:		
Purchase of property and equipment	(15,202)	—
Net cash used in investing activities	(15,202)	—
Cash flows from financing activities:		
Proceeds from issuance of notes payable	250,000	1,780,000
Proceeds from issuance of notes payable to related parties	—	6,891
Principal payments on notes payable	(156,881)	(590,655)
Principal payments on capital lease liabilities	(2,599)	(2,525)
Debt issuance costs paid	—	(53,250)
Proceeds from sale of common stock, net of offering costs	100,000	159,802
Proceeds from sale of Series C Convertible Preferred Stock, net of offering costs	543,373	—
Proceeds from exercise of warrants to purchase common stock, net of offering costs	110,000	—
Net cash provided by financing activities	843,893	1,300,263
Net change in cash and cash equivalents	97,848	5,479
Cash and cash equivalents at beginning of period	16,962	17,723
Cash and cash equivalents at end of period	$ 114,810	$ 23,202
Supplemental disclosures:		
Cash paid during period for interest	$ 22,020	$ 6,386
Cash paid during period for income taxes	—	—
Non-cash transactions:		
Issuance of common stock in settlement of liabilities	1,201,176	1,569,029
Issuance of Series C Convertible Preferred Stock in settlement of liabilities	358,731	—
Issuance of warrants to purchase common stock in settlement of liabilities	54,278	—
Issuance of notes payable in settlement of liabilities	33,416	—
Issuance of common stock for registration penalty	1,080	—

The accompanying notes are an integral part of these consolidated financial statements.

Geospatial Corporation and Subsidiaries
Notes to Unaudited Consolidated Financial Statements
September 30, 2016

Note 1 – Basis of Presentation

The Unaudited Consolidated Financial Statements included herein have been prepared by Geospatial Corporation (the "Company") in accordance with accounting principles generally accepted in the United States of America for interim financial information and regulations issued pursuant to the Securities Exchange Act of 1934, as amended. Accordingly, the accompanying Unaudited Consolidated Financial Statements do not include all the information and notes required by accounting principles generally accepted in the United States of America for complete financial statements. The accompanying Unaudited Consolidated Financial Statements as of and for the three and nine months ended September 30, 2016 should be read in conjunction with the Company's Financial Statements as of and for the year ended December 31, 2015. In the opinion of the Company's management, all adjustments considered necessary for a fair statement of the accompanying Unaudited Consolidated Financial Statements have been included, and all adjustments, unless otherwise discussed in the Notes to the Unaudited Consolidated Financial Statements, are of a normal and recurring nature. Operating results for the three and nine months ended September 30, 2016 are not necessarily indicative of the results that may be expected for the year ending December 31, 2016, or any other interim periods, or any future year or period.

The use of accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Consolidated Financial Statements include the accounts of the Company and its subsidiaries, Geospatial Mapping Systems, Inc. and Utility Services and Consulting Corporation, which ceased operations in 2011. All intercompany accounts and transactions have been eliminated.

Note 2 – Accrued Expenses

Accrued expenses consisted of the following:

	September 30, 2016	December 31, 2015
Payroll and taxes	$ 639,660	$ 1,832,937
Accounting	53,762	50,737
Insurance	—	34,014
Contractors and subcontractors	10,227	20,227
Interest	1,967	7,800
Other	104,992	82,505
Accrued expenses	$ 810,608	$ 2,028,220

Note 3 – Related-Party Transactions

The Company leases its headquarters building from Mark A. Smith, the Company's Chairman and Chief Executive Officer. The building has approximately 3,200 square feet of office space, and is used by the Company's corporate, technical, and operations staff. Mr. Smith has agreed to suspend collection of rent effective April 1, 2016. The lease is cancellable by either party upon 30 days' notice. The Company incurred no lease expense during the three months ended September 30, 2016, and $19,500 of lease expense during the nine months ended September 30, 2016. The Company incurred lease expense of $19,500 and $58,500 during the three and nine months, respectively, ended September 30, 2015.

On November 9, 2012, the Company and Mr. Smith entered into a Lease Agreement, pursuant to which the Company leases a field vehicle from Mr. Smith. The lease is for 60 months, and is for substantially the same terms for which Mr. Smith leases the vehicle from the manufacturer. Interest on the lease amounted to $34 and $59 for the three months ended September 30, 2016 and 2015, respectively, and $197 and $137 for the nine months ended September 30, 2016 and 2015, respectively. The lease is recorded as a capital lease. At September 30, 2016, gross assets recorded under the lease and associated accumulated depreciation were $16,870 and $13,074, respectively. Future minimum payments under the capital lease are as follows as of September 30, 2016:

Balance of 2016	$	907
Year ending December 31, 2017		3,326
Thereafter		—
Total minimum payments		4,233
Less: minimum interest payments		(76)
Minimum principal payments	$	4,157

On May 18, 2016, the Company and Mr. Smith entered into a Conversion Agreement (the "Smith Conversion Agreement"), pursuant to which Mr. Smith converted accrued salaries totaling $766,833 to 19,170,831 shares of the Company's common stock and warrants to purchase 23,004,998 shares of the Company's common stock at an exercise price of $0.04 per share. Mr. Smith also converted pursuant to the Smith Conversion Agreement, $156,782 of unreimbursed business expenses and unpaid rent on the Company's offices to 783,912 shares of the Company's Series C Convertible Preferred Stock.

On May 18, 2016, the Company and Troy G. Taggart, the Company's President, entered into a Conversion Agreement, pursuant to which Mr. Taggart converted accrued salaries totaling $215,490 to 5,387,241 shares of the Company's common stock and warrants to purchase 6,464,689 shares of the Company's common stock at an exercise price of $0.04 per share.

Note 3 – Related-Party Transactions (continued)

On May 18, 2016, the Company and Thomas R. Oxenreiter, the Company's Chief Financial Officer, entered into a Conversion Agreement (the "Oxenreiter Conversion Agreement"), pursuant to which Mr. Oxenreiter converted accrued salaries totaling $226,458 to 5,661,460 shares of the Company's common stock and warrants to purchase 6,793,753 shares of the Company's common stock at an exercise price of $0.04 per share. Mr. Oxenreiter also converted, pursuant to the Oxenreiter Conversion Agreement, $5,000 of unreimbursed business expenses to 25,000 shares of the Company's Series C Convertible Preferred Stock.

Note 4 – Notes Payable

Current notes payable consisted of the following:

	September 30, 2016	December 31, 2015
Secured Promissory Note, payable to an individual, bearing interest at 10% per annum, due January 31, 2017, net of discount. The note is convertible to common stock at 75% of the weighted average trading price, and is secured by substantially all the assets of the Company	$ 1,419,236	$ 1,075,833
Unsecured Promissory Note, payable to an individual, bearing interest at 10% per annum	—	67,817
Unsecured Convertible Promissory Notes, payable to individuals, bearing interest at 10% per annum, convertible to common stock at prices ranging from $0.20 to $0.25 per share	—	190,453
Notes payable under settlement agreements with former employees, payable monthly with terms of up to twelve months, with interest rates ranging from 0% to 20%	76,239	154,645
Current notes payable	$ 1,495,475	$ 1,488,748

Note 5 – Income Taxes

The Company's provision for (benefit from) income taxes is summarized below:

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Current:				
Federal	$ —	$ —	$ —	$ —
State	—	—	—	—
	—	—	—	—
Deferred:				
Federal	(116,029)	(220,406)	(261,352)	(742,996)
State	(36,834)	(69,970)	(82,969)	(235,872)
	(152,863)	(290,376)	(344,321)	(978,868)
Total income taxes	(152,863)	(290,376)	(344,321)	(978,868)
Less: valuation allowance	152,863	290,376	344,321	978,868
Net income taxes	$ —	$ —	$ —	$ —

The reconciliation of the federal statutory income tax rate to the effective income tax rate is as follows:

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Federal statutory rate	35.0%	35.0%	35.0%	35.0%
State income taxes (net of federal benefit)	6.5	6.5	6.5	6.5
Valuation allowance	(41.5)	(41.5)	(41.5)	(41.5)
Effective rate	0.0%	0.0%	0.0%	0.0%

Note 5 – Income Taxes (continued)

Significant components of the Company's deferred tax assets and liabilities are summarized below. A valuation allowance has been established as realization of such assets has not met the more-likely-than-not threshold requirement under FASB ASC 740.

	September 30, 2016	December 31, 2015
Start-up costs	$ 30,116	$ 37,491
Depreciation	(37,132)	(37,759)
Accrued expenses	187,254	687,212
Net operating loss carryforward	16,520,449	15,669,422
Deferred income taxes	16,700,687	16,356,366
Less: valuation allowance	(16,700,687)	(16,356,366)
Net deferred income taxes	$ —	$ —

At September 30, 2016, the Company had federal and state net operating loss carryforwards of approximately $38,441,000. The federal and state net operating loss carryforwards will expire beginning in 2021 and 2026, respectively. The amount of the state net operating loss carryforward that can be utilized each year to offset taxable income is limited by state law.

Note 6 – Net Income (Loss) Per Share of Common Stock

Basic net income (loss) per share of common stock are computed by dividing earnings available to common stockholders by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per share reflects per share amounts that would have resulted if dilutive potential common stock had been converted to common stock. Dilutive potential common shares are calculated in accordance with the treasury stock method, which assumes that proceeds from the exercise of all warrants and options are used to repurchase common stock at market value. The number of shares remaining after the proceeds are exhausted represents the potentially dilutive effect of the securities.

The following reconciles amounts reported in the financial statements:

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Net income (loss)	$ (857,718)	$ (700,717)	$ (831,646)	$ (867,930)
Weighted average number of shares of common stock outstanding	149,451,206	138,056,264	146,393,639	136,022,394
Dilutive potential shares of common stock	149,451,206	138,056,264	146,393,639	136,022,394
Net income (loss) per share of common stock:				
Basic	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)
Diluted	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)

Note 6 – Net Loss Per Share of Common Stock (continued)

The following securities were not included in the computation of diluted net loss per share, as their effect would have been anti-dilutive:

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Series B Convertible Preferred Stock	—	—	—	1,325,123
Series C Convertible Preferred Stock	77,503,160	—	53,222,914	—
Options and warrants to purchase common stock	71,378,151	14,345,798	68,205,580	14,345,798
Warrants to purchase Series B Convertible Preferred Stock	—	67,646	—	67,646
Secured Promissory Note	1,698,231	6,732,841	15,097,294	4,310,455
Senior Convertible Redeemable Notes	—	—	—	1,464,024
Total	150,579,542	21,146,055	136,525,788	21,513,046

Note 7 – Stock-Based Payments

During the nine months ended September 30, 2016, stock appreciation rights ("SAR's") on 4,500,000 shares of the Company's common stock were issued to eligible employees and consultants pursuant to the Company's 2013 Equity Incentive Plan, and SAR's on 3,896,000 shares of the Company's common stock were forfeited.

During the nine months ended September 30, 2016, the Company granted warrants to purchase 41,226,000 shares of the Company's common stock to consultants and to lenders in connection with loans to the Company, and warrants to purchase 36,263,440 to the Company's officers in connection with the conversion of debt owed to the officers to equity.

On May 10, 2016, the Company entered into a Conversion Agreement with an investor whereby the investor converted (i) an Unsecured Convertible Note Payable (the "Note Payable") due from the Company in the amount of $54,278, and (ii) warrants to purchase 3,075,000 shares of the Company's common stock in exchange for warrants to purchase 10,000,000 shares of the Company's common stock at $0.01 per share for a term of five years (the "Warrant"). The Company recorded the Warrant on the Consolidated Balance Sheet as "Additional paid-in capital, warrant" at the carrying value of the Note Payable.

Note 8 – Gains on Extinguishment of Debt

Due to significant cash flow problems, the Company has negotiated concessions on the amounts of certain liabilities and extensions of payment terms. The Company accounts for such concessions in accordance with Financial Accounting Standards Board Accounting Standards Codification ("ASC") 470-60, *Troubled Debt Restructurings by Debtors*, and ASC 405-20, *Extinguishment of Liabilities*, and recognizes gains to the extent that the carrying value of the liability exceeds the fair value of the restructured payment plan. Such gains are included as "Gains on extinguishment of debt" in "Other income and expenses" on the Company's Consolidated Statement of Operations. In addition, the Company has accounts payable that have aged or are expected to age beyond the statute of limitations. The Company is amortizing those liabilities over the remaining term of the statute of limitations. Gains on extinguishment of debt amounted to $58,603 and $73,181 during the three months ended September 30, 2016 and 2015, respectively, and $73,181 and $219,544 during the nine months ended September 30, 2016 and 2015, respectively.

Note 9 – Registration Payment Arrangements

The Company is contractually obligated to issue shares of its common stock to certain investors for failure to register shares of its common stock under the Securities Act of 1933, as amended (the "Securities Act"). The Company has recorded a liability for the estimated number of shares to be issued at the fair value of the stock to be issued. The Company measures fair value by the price of its common stock at its most recent sale. The Company reviews its estimate of the number of shares to be issued and the fair value of the stock to be issued quarterly. The liability is included on the Consolidated Balance Sheet under the heading "accrued registration payment arrangement," and amounted to $536,515 at September 30, 2016, and $547,315 at December 31, 2015. Gains or losses resulting from changes in the carrying amount of the liability are included in the Consolidated Statement of Operations in other income and expense under the heading "registration payment arrangements". During the three months ended September 30, 2016, the Company had a loss of $482,863. There were no such gains or losses during the three months ended September 30, 2016. The Company had losses of $9,720 and $1,190,446 during the three and nine months, respectively, ended September 30, 2015.

Note 10 – Capital Stock

On March 16, 2016, the Company filed a Certificate of Designations, Powers, Preferences and Rights of Series C Convertible Preferred Stock (the "Certificate of Designations") with the Nevada Secretary of State, designating 10,000,000 shares of the Company's undesignated preferred stock, par value $0.001 per share, as Series C Preferred Stock ("Series C Stock").

The Series C Stock shall be convertible at the option of the holder, at any time after an amendment to the Company's Articles of Incorporation is filed and effective increasing the Company's authorized shares of common stock to at least 680,000,000 shares of common stock, par value $0.001 per share, of the Company ("Common Stock") at a conversion ratio of one (1) share of Series C Preferred into twenty (20) shares of Common Stock, subject to adjustments for stock dividends, splits, combinations and similar events as described in the Certificate of Designations (the "Conversion Ratio").

After the Filing Date, each share of Series C Convertible Preferred Stock will be automatically be converted into shares of Common Stock at the Conversion Ratio, upon the earlier of (i) the closing of a public or private offer and sale of Common Stock for the account of the Company in which the aggregate offering price (before deduction of underwriters' discounts and commissions, if any) such price per share of Common Stock subject to certain adjustments described in the Certificate of Designations, or (ii) the written consent of the holders of not less than a majority of the then outstanding shares of Series C Preferred Stock to the conversion of all then outstanding Series C Preferred Stock.

On August 15, 2016, the Company amended its Articles of Incorporation to change the number of authorized shares of Common Stock to 750,000,000.

ITEM 2: MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

You should read the following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") together with our financial statements and notes thereto as of and for the year ended December 31, 2015, filed with our Annual Report on Form 10-K on April 14, 2016, and our financial statements and notes thereto as of and for the three and nine months ended September 30, 2016, which appear elsewhere in this Quarterly Report on Form 10-Q.

We provide cloud-based geospatial solutions to accurately locate and digitally map underground pipelines and other infrastructure in three dimensions. Our professional staff offers the expertise, ability, and technologies required to design and execute solutions that are delivered in a cloud-based GIS (geographic information system) platform.

We believe that the market for aggregating and maintaining positional data for underground assets is maturing, and that business and governmental entities are beginning to understand the value of such data. We believe that this developing market presents us with an opportunity to deliver long-term value to our shareholders. In order to realize that value, our primary challenge is to raise working capital sufficient to operate our business, and investment capital to hire employees, acquire assets, and expand our business. Management is currently focused on raising capital, and planning to position our business to capitalize on the maturing market for positional data once such capital is in place, including identifying new technologies for aggregating positional data, developing our GeoUnderground software, and planning the strategies and processes for our upcoming marketing campaigns. We use financial and non-financial performance indicators to assess our business, including liquidity measures, revenues, gross margins, operating revenue, and backlog.

Liquidity and Capital Resources

At September 30, 2016, we had current assets of $271,737, and current liabilities of $3,193,089.

Our Company has incurred net losses since inception. Our operations and capital requirements have been funded by sales of our common and preferred stock, advances from our chief executive officer, and loans from external sources. At September 30, 2016, current liabilities exceeded current assets by $2,921,352, and total liabilities exceeded total assets by $2,852,267. Those factors raise doubts about our ability to continue as a going concern.

In 2014, we raised approximately $2.4 million through private sales of our common stock, and approximately $272,000 through the exercise of outstanding warrants to purchase Series B Convertible Preferred Stock ("Series B Stock") and common stock. We also issued common stock for services valued at $82,500, and settled $500,000 of liabilities for shares of our common stock. In 2015, we raised approximately $476,000 through private sales of our common stock, and converted our outstanding Senior Secured Redeemable Note with a balance due of approximately $1.6 million to shares of our common stock.

On January 16, 2015, we issued a Senior Secured Promissory Note to Horberg Enterprises LLC (the "Horberg Note") in the principal amount of $500,000. The Horberg Note was due on April 8, 2015, and accrued no interest through the due date. The Horberg Note was secured by liens on all of our assets. We also issued Horberg Enterprises LLC warrants to purchase 1,500,000 shares of our common stock in consideration for its purchasing the Horberg Note. Proceeds from the issuance of the Horberg Note were used for working capital purposes. We repaid the Horberg Note on April 3, 2015.

On April 2, 2015, we issued a Secured Promissory Note to David M. Truitt (as amended, the "Truitt Note") in the principal amount of $1,000,000. The Truitt Note bears interest at 10% per annum. The Truitt Note is secured by liens on all our assets, and is convertible into shares of our common stock at a discount to market value at the option of the holder. We also issued Mr. Truitt warrants to purchase 2,000,000 shares of our common stock in consideration for his purchasing the Truitt Note. Proceeds from the issuance of the Truitt Note were used to repay the Horberg Note and for working capital purposes. The initial due date of the Truitt Note was October 2, 2015.

During the first quarter of 2016, we entered into an Agreement and Amendment with Mr. Truitt pursuant to which Mr. Truitt loaned us an additional $250,000 and extended the due date of the Truitt Note to July 31, 2016. We issued Mr. Truitt warrants to purchase 25.0 million shares of our common stock in connection with the Agreement and Amendment. Also during the first quarter of 2016, we designated 10.0 million shares of preferred stock as Series C Convertible Preferred Stock ("Series C Stock"). Series C Stock is convertible to common stock at a conversion ratio of 20 shares of common stock for each share of Series C Stock, subject to adjustment for stock dividends, splits, and similar events. Series C Stock has a liquidation preference equal to its original issue price, and has voting rights equal to five times the number of shares of common stock into which the Series C Stock is convertible. On March 16, 2016, we sold 1,250,000 shares of Series C Stock to Mr. Truitt for consideration of $250,000.

During the second quarter of 2016, we sold 1,500,000 shares of Series C Stock to Mr. Truitt for $300,000. Also during the second quarter of 2016, we converted notes payable totaling approximately $197,000 to shares of Series C Stock, and we converted a note payable of approximately $54,000 to warrants to purchase common stock. We also converted approximately $1.3 million of our officers' accrued salaries to shares of common stock, and approximately $162,000 of other liabilities to our officers to shares of Series C Stock.

On August 12, 2016, we entered into an Agreement and Amendment with Mr. Truitt pursuant to which Mr. Truitt extended the due date of the Truitt Note to January 31, 2017. We issued Mr. Truitt warrants to purchase 12.0 million shares of our common stock in connection with the Agreement and Amendment.

During the third quarter of 2016, we sold 1,375,000 shares of common stock for an aggregate consideration of $100,000. We also received $110,000 for the exercise of warrants to purchase 1,100,000 shares of common stock, and converted liabilities of approximately $88,000 to approximately 2.8 million shares of common stock.

From October 1 through November 10, 2016, we received $362,000 for the exercise of warrants to purchase 36,200,000 shares of common stock. On November 9, 2016, we repaid $200,000 of principal of the Truitt Note.

Management is continuing efforts to secure funding sufficient for the Company's operating and capital requirements through private sales of Series C Stock and common stock, and to negotiate settlements or extensions of existing liabilities. The proceeds of such sales of stock, if any, will be used to fund general working capital needs.

Beginning in 2012, we changed the focus of our company to position us to generate revenue from data acquisition and data management. We expanded our service offerings to provide data acquisition services utilizing twelve different technologies. We developed new, cloud-based mapping software to be marketed under our existing name GeoUndergound that replaced our previous version of GeoUnderground. We currently utilize GeoUnderground to deliver data to customers. We intend to offer GeoUnderground as a subscription-based stand-alone product beginning in 2016. We believe that our changes to our operating focus will enable us to begin to generate significant revenue from operations.

We believe that our actions and planned actions will enable us to finance our operations beyond the next twelve months.

We do not believe that inflation and changing prices will have a material impact on our net sales and revenues, or on income from continuing operations.

Results of Operations

We had sales of $132,371 and $572,371 during the three and nine months, respectively, ended September 30, 2016. Cost of sales were $54,838 and $185,374 for the three and nine months, respectively, ended September 30, 2016. Sales were $0 and $20,800 during the three and nine months, respectively, ended September 30, 2015. Cost of sales were $33,545 and $113,114 during the three and nine months, respectively, ended September 30, 2015. Our sales have fluctuated throughout 2016 and 2015 as our ability to market and perform jobs was hampered by our financial condition. We expect sales and cost of sales to continue to fluctuate as our business continues to mature.

Selling, general, and administrative ("SG&A") expenses were $463,657 and $1,240,381 for the three and nine months, respectively, ended September 30, 2016. SG&A expenses were $698,559 and $2,021,897 for the three and nine months, respectively, ended September 30, 2015. The decreases in SG&A costs for the three and nine months ended September 30, 2016 compared to the three and nine months ended September 30, 2015 were due to decreases in payroll cost and professional fees due to reductions in staffing and professional services necessitated by our financial position.

Other income and expense for the three and nine months ended September 30, 2016 was a net expense of $471,594 and a net income of $21,738, respectively, which included interest expense of $47,334 and $180,106, respectively, gains on extinguishment of debt of $58,603 and $192,124, respectively, and gains (losses) related to registration payment arrangements of $(482,863) and $9,720, respectively. Other income and expense for the three and nine months ended September 30, 2015 was a net income of $31,387 and a net income of $1,246,281, respectively, which included interest expense of $41,794 and $163,709, respectively, gains on extinguishment of debt of $73,181 and $219,544, respectively, and gains related to registration payment arrangements of $0 and $1,190,446, respectively.

The increase in interest expense in 2016 was due to interest on the Truitt Note in 2016.

Gains or expense related to registration payment arrangements result from a series of Stock Subscription Agreements we entered into in 2009 and 2010 (the "Stock Subscription Agreements"). We were required to register the shares of common stock sold pursuant to the Stock Subscription Agreements under the Securities Act. Our failure to register the shares of common stock under the Securities Act timely resulted in our obligation to issue additional shares ("Penalty Shares") to investors who purchased shares pursuant to the Stock Subscription Agreements. We recorded a liability on our books for the value of the estimated number of shares to be issued. We incur losses on our registration payment arrangements when the estimated number of Penalty Shares to be issued increases, or when the value of our common stock increases. We record gains on our registration payment arrangements when the estimated number of Penalty Shares to be issued decreases, or when the value of our common stock decreases.

During the three months ended September 30, 2016, we had a loss related to registration payment arrangements of $482,863 due to an increase in the value of our common stock. During the nine months ended September 30, 2016, we had a gain of $9,720 related to registration payment arrangements due to a net decrease in the value of our common stock during the nine-month period. We had no gains or losses related to registration payment arrangements during the three months ended September 30, 2015. During the nine months ended September 30, 2015, we had gains related to registration payment arrangements of $1,190,446 due to decreases in the value of our common stock and the estimated number of penalty shares to be issued. We expect that income or expense related to registration payment arrangements will fluctuate as the price of our common stock and the estimate of the number of Penalty Shares to be issued fluctuate.

We had no benefit from income taxes during the three and nine months ended September 30, 2016 and 2015, as our deferred tax benefit was completely offset by a valuation allowance due to the uncertainty of realization of the benefit.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as of September 30, 2016.

Application of Critical Accounting Policies

We prepare our financial statements in conformity with accounting principles generally accepted in the United States of America, which requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions which, in our opinion, are significant to the underlying amounts included in the financial statements and for which it would be reasonably possible that future events or information could change those estimates include:

Registration Payment Arrangements. We are contractually obligated to issue shares of our common stock to certain investors for failure to register their shares of our common stock under the Securities Act. We have recorded a liability for the estimated number of shares to be issued at the fair value of the stock to be issued. We review on a quarterly basis our estimate of the number of shares to be issued and the fair value of the stock to be issued.

Realization of Deferred Income Tax Assets. We provide a net deferred tax asset or liability equal to the expected future tax benefit or expense of temporary reporting differences between financial reporting and tax accounting methods and any available operating loss or tax credit carryovers. At September 30, 2016, we had a deferred tax asset resulting principally from our net operating loss deduction carryforward available for tax purposes in future years. This deferred tax asset is completely offset by a valuation allowance due to the uncertainty of realization. We evaluate the necessity of the valuation allowance quarterly.

Estimated Costs to Complete Fixed-Price Contracts. We record revenues for fixed-price contracts under the percentage-of-completion method of accounting, whereby revenues are recognized ratably as those contracts are completed. This rate is based primarily on the proportion of contract costs incurred to date to total contract costs projected to be incurred for the entire project, or the proportion of measurable output completed to date to total output anticipated for the entire project. We review our estimates of costs to complete each contract quarterly, and make adjustments if necessary. At September 30, 2016, we do not believe that material changes to contract cost estimates at completion for any of our open contracts are reasonably likely to occur.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk—Interest rate risk refers to fluctuations in the value of a security resulting from changes in the general level of interest rates. We do not have significant short-term investments. Accordingly, we believe that we do not have a material interest rate exposure.

Foreign Currency Risk—Our functional currency is the United States dollar. We do not currently have any assets or liabilities denominated in foreign currencies. Consequently, we have no direct exposure to foreign currency risk.

Commodity Price Risk—Based on the nature of our business, we have no direct exposure to commodity price risk.

ITEM 4. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that the Company files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the United States Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of Company management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to the Securities Exchange Act of 1934 ("Exchange Act") Rules 13a-15(e) and 15d-15(e). Based upon, and as of the date of this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended September 30, 2016 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 2. SALES OF UNREGISTERED EQUITY SECURITIES

On July 18, 2016, the Company issued 1,000,000 shares of its common stock to an investor at a price of $0.01 per share upon exercise of an outstanding warrant to purchase common stock. The sale took place in a private placement transaction pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act and/or Regulation D. The purchaser is an accredited investor, and the Company conducted the private placement without any general solicitation or advertisement, and with a restriction on resale.

On August 12, 2016, the Company issued to an investor warrants to purchase 2,000,000 shares of its common stock at a price of $0.25 per share, which are exercisable through August 12, 2026, and warrants to purchase 10,000,000 shares of its common stock at a price of $0.01 per share, which are exercisable through August 12, 2020. The issuance took place in a private placement transaction pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act and/or Regulation D. The investor is an accredited investor, and the Company conducted the private placement without any general solicitation or advertisement, and with a restriction on resale.

On August 12, 2016, the Company converted $88,378 of unpaid salary of an employee to 2,829,135 shares of the Company's common stock. The issuance took place in a private placement transaction pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act and/or Regulation D. The investor is an accredited investor, and the Company conducted the private placement without any general solicitation or advertisement, and with a restriction on resale.

On August 16, 2016, the Company issued 10,000,000 shares of its common stock to an investor at a price of $0.01 per share upon exercise of an outstanding warrant to purchase common stock. The sale took place in a private placement transaction pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act and/or Regulation D. The purchaser is an accredited investor, and the Company conducted the private placement without any general solicitation or advertisement, and with a restriction on resale.

Between September 8, 2016 and October 3, 2016, the Company issued 270,000 shares of common stock to settle contractual obligations. The shares were issued pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act. The recipients are accredited investors, and the Company issued the shares without any general solicitation or advertisement, and with a restriction on resale.

On October 3, 2016, the Company issued 3,000,000 shares of its common stock to an investor at a price of $0.01 per share upon exercise of an outstanding warrant to purchase common stock. The sale took place in a private placement transaction pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act and/or Regulation D. The purchaser is an accredited investor, and the Company conducted the private placement without any general solicitation or advertisement, and with a restriction on resale.

On October 18, 2016, the Company issued 6,200,000 shares of its common stock to an investor at a price of $0.01 per share upon exercise of an outstanding warrant to purchase common stock. The sale took place in a private placement transaction pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act and/or Regulation D. The purchaser is an accredited investor, and the Company conducted the private placement without any general solicitation or advertisement, and with a restriction on resale.

On November 8, 2016, the Company issued 27,000,000 shares of its common stock to an investor at a price of $0.01 per share upon exercise of outstanding warrants to purchase common stock. The sale took place in a private placement transaction pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act and/or Regulation D. The purchaser is an accredited investor, and the Company conducted the private placement without any general solicitation or advertisement, and with a restriction on resale.

The recipients of the securities in each of these transactions described above represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were placed upon the stock certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us.

ITEM 6. EXHIBITS

Exhibit	Description
31.1	Rule 13a-14(a) Certification of Mark A. Smith
31.2	Rule 13a-14(a) Certification of Thomas R. Oxenreiter
32.1	Section 1350 Certification of Chief Executive Officer
32.2	Section 1350 Certification of Chief Financial Officer
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Geospatial Corporation
(Registrant)

Date: November 14, 2016

By:	/S/ MARK A. SMITH
Name:	**Mark A. Smith**
Title:	**Chief Executive Officer**
By:	/S/ THOMAS R. OXENREITER
Name:	**Thomas R. Oxenreiter**
Title:	**Chief Financial Officer**

Exhibit 31.1

Certification Pursuant to Section 302
of the Sarbanes-Oxley Act of 2002

I, Mark A. Smith, certify that:

1. I have reviewed this Quarterly Report for the quarter ended September 30, 2016 on Form 10-Q of Geospatial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2016

By: /s/ Mark A. Smith
Name: Mark A. Smith
Title: Chief Executive Officer

Exhibit 31.2

Certification Pursuant to Section 302
of the Sarbanes-Oxley Act of 2002

I, Thomas R. Oxenreiter, certify that:

1. I have reviewed this Quarterly Report for the quarter ended September 30, 2016 on Form 10-Q of Geospatial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2016

By: /s/ Thomas R. Oxenreiter
Name: Thomas R. Oxenreiter
Title: Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO TITLE 18, UNITED STATES CODE, SECTION 1350
As Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Geospatial Corporation (the "Company") on Form 10-Q for the period ending September 30, 2016 as filed with the Securities and Exchange Commission (the "Report"), I, Mark A Smith, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 14, 2016

By: /s/ Mark A. Smith
Name: Mark A. Smith
Title: Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO TITLE 18, UNITED STATES CODE, SECTION 1350
As Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Geospatial Corporation (the "Company") on Form 10-Q for the period ending September 30, 2016 as filed with the Securities and Exchange Commission (the "Report"), I, Thomas R. Oxenreiter, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 14, 2016

By: /s/ Thomas R. Oxenreiter
Name: Thomas R. Oxenreiter
Title: Chief Financial Officer