



August 9, 2017

## **Odyssey Marine Exploration Reports Second Quarter 2017 Results And Provides Operations Update**

TAMPA, Fla., Aug. 09, 2017 (GLOBE NEWSWIRE) -- Odyssey Marine Exploration, Inc. (NASDAQ:OMEX), a pioneer in the field of deep-ocean exploration, reported results for the second quarter ended June 30, 2017, and provided an update on operations and plans for 2017.

In the second quarter, Odyssey's marine operations team successfully completed the first phase of a major shipwreck project that included the search and inspection of multiple valuable targets and the recovery of samples of valuable cargo. These activities were undertaken under contract with another party.

Planning is currently underway for the recovery phase of this project. Procurement of specialized equipment for the recovery project has been initiated, and operations will commence upon delivery and the completion of testing of the new equipment.

Planning also continues for recovery of phosphate sands from the "Don Diego" project so that preliminary operations can commence soon after environmental approval is received. Odyssey has already been contracted to provide a variety of services related to this the project once approvals are in place. This contract has the potential to produce several million dollars in positive cashflows and enhance the value of Odyssey's investment in this project. Although there can be no assurance of a favorable outcome, the judicial decision on the environmental approval is expected to be made within the next 90 days.

Odyssey also continues to develop and partner with other groups on new subsea mineral projects that will require offshore exploration work and resource evaluation by the Odyssey marine operations team.

The currently planned shipwreck and mineral projects are being conducted under a leveraged contracting model where Odyssey is paid to perform offshore services while retaining a significant back-end of the future net proceeds from the projects. The combined potential cash flows generated from these projects are expected to fund operations for multiple years and increase the value of projects controlled by Odyssey or in which Odyssey has an equity ownership position.

Odyssey's interests remain aligned with those of MINOSA del Norte S.A. de C.V. (MINOSA), with whom we have an investment agreement for the purchase of new equity securities that, when issued, would represent a majority of the equity in Odyssey. Epsilon Acquisitions LLC, an affiliate of MINOSA, is already one of Odyssey's largest shareholders after converting \$3 million in debt to equity in the second quarter of 2017.

In addition, Odyssey was notified by NASDAQ on August 4, 2017, that the Company is in compliance with all NASDAQ requirements for listing.

### **Management Commentary**

"As we transform Odyssey, we've been working to be more efficient and focused while driving cash flows to fund operations. Those efforts are continuing to pay off with a 25% reduction in general and administrative expenses and a 20% reduction in operational expenses comparing the two 12-month periods ended June 30, 2017 and June 30, 2016. That's on top of the 36% reduction in those expenses from the prior 12-month period ended June 30, 2015," said Mark Gordon, Odyssey Chief Executive Officer and President. "We also now have the largest pipeline of cash generating projects than at any other time in our history."

"These efforts have also positioned Odyssey to quickly commence operations on the 'Don Diego' project once approvals are received and have allowed Odyssey to continue developing new mineral projects around the world.

"The 'Don Diego' environmental approval process and closing of the Stock Purchase Agreement has taken longer than originally contemplated; however, the assistance MINOSA has provided us through this process and their recent agreement to provide additional capital reinforces our belief that MINOSA is the right investor for Odyssey's offshore mineral exploration business," continued Mark Gordon.

### **Q2 2017 Financial Summary**

The net loss in the second quarter of 2017 was \$1.9 million or \$(0.23) per share as compared to net loss in the first quarter of 2017 of \$2.2 million or \$(0.28) per share and a net loss of \$1.9 million or \$(0.25) per share in the second quarter of 2016.

Total revenue in the current quarter was \$0.6 million, a \$0.6 million decrease from the revenue in the same period a year ago and was derived from the performance of expedition marine survey and recovery services for Magellan, whom we consider a related party. The \$1.2 million revenue in the same quarter last year was generated from providing equipment and personnel to an offshore operator under a survey expedition services agreement.

Marketing, general and administrative expenses decreased by \$0.2 million from \$1.9 million in 2016 to \$1.7 million in 2017 primarily as a result of (i) a reduction of \$0.4 million of personnel compensation and related expenses including share-based compensation of \$0.2 million and (ii) \$0.1 million decrease in corporate supportive overhead. This decrease was partially offset by (i) a \$0.2 million increase in legal fees related to marine cargo securitization and (ii) a \$0.1 million increase in financing fees.

Operations and research expenses primarily include all costs within Archaeology, Conservation, Exhibits, Research, and Marine operations, which include all vessel and charter operations. Operations and research expenses decreased by \$0.4 million from 2016 to 2017 as a result of a \$0.1 million reduction of marine services costs which include technical crew costs as well as other marine operational costs such as fuel, port fees and consumables, an increase in the gain of sale of marine equipment of \$0.2 million and a reduction of \$0.1 million of fixed asset costs related to depreciation and insurance. 2016 included the full-time operations of our former vessel, the *Odyssey Explorer*, which was sold in mid-2016.

Consolidated financial statements as well as the Company's Quarterly Report on Form 10-Q for the three months ended June 30, 2017, are available on the company's website at [www.odysseymarine.com](http://www.odysseymarine.com) as well as at [www.sec.gov](http://www.sec.gov).

### **About Odyssey Marine Exploration**

Odyssey Marine Exploration, Inc. (Nasdaq:OMEX) is engaged in deep-ocean exploration using innovative methods and state-of-the-art technology for shipwreck projects and mineral exploration. For additional details, please visit [www.odysseymarine.com](http://www.odysseymarine.com).

### **Forward Looking Information**

Odyssey Marine Exploration believes the information set forth in this Press Release may include "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Act of 1934. Certain factors that could cause results to differ materially from those projected in the forward-looking statements are set forth in "Risk Factors" in Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2016, which was filed with the Securities and Exchange Commission on March 30, 2017. The financial and operating projections as well as estimates of mining assets are based solely on the assumptions developed by Odyssey that it believes are reasonable based upon information available to Odyssey as of the date of this release. All projections and estimates are subject to material uncertainties, and should not be viewed as a prediction or an assurance of actual future performance. The validity and accuracy of Odyssey's projections will depend upon unpredictable future events, many of which are beyond Odyssey's control and, accordingly, no assurance can be given that Odyssey's assumptions will prove true or that its projected results will be achieved.

### **Cautionary Note to U.S. Investors**

The U.S. Securities and Exchange Commission (SEC) permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this press release, such as "measured", "indicated," "inferred" and "resources," which the SEC guidelines strictly prohibit us from including in our filings with the SEC. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. U.S. investors are cautioned not to assume that part or all of the inferred mineral resource exists, or is economically or legally mineable, and are urged to consider closely the disclosures in our Form 10-K which may be secured from us or from the SEC's website at <http://www.sec.gov/edgar.shtml>.

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