



August 7, 2015

Odyssey Marine Exploration Reports Second Quarter 2015 Results

TAMPA, Fla., Aug. 07, 2015 (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, 2015.

Q2 2015 Highlights

- Odyssey stockholders approved all of the proposals described in the company's definitive proxy statement relating to the annual meeting of stockholders on June 9, 2015, including the proposal to adopt and approve the strategic financing agreement with Minera del Norte S.A. de C.V. (MINOSA), an owner and operator of mines and vertically integrated processing facilities (with worldwide assets of more than \$750 million and net sales of \$900 million), to facilitate Odyssey's offshore exploration business.
- MINOSA extended \$14.75 million in debt financing to Odyssey. In addition, Penelope Mining LLC, a wholly owned subsidiary of MINOSA, has the contractual right to invest up to \$144 million in convertible preferred stock of Odyssey under certain conditions as detailed in an Odyssey proxy statement and related documents available via the investor section of the company's website at www.odysseymarine.com.
- Through active cost management efforts, Odyssey improved consolidated net operating cash flows by 25% (\$4.2 million improvement) and reduced total comparable operating expenses by 33% (\$3.0 million cost reduction) in the second quarter of 2015 as compared to the same quarter a year earlier.
- Exploraciones Oceanicas, S. De R.L. De C.V. (ExO), a subsidiary of Oceanica, elected to re-submit the Environmental Impact Assessment (EIA) for the proposed dredging and recovery of phosphate sands from the "Don Diego" deposit off the coast of Mexico. The decision to do so was intended to allow additional time so that ExO, in coordination with the technical and environmental team at MINOSA, could brief government officials and community leaders in the region so they thoroughly understand the details of the project and the positive effects it will have on the Mexican agricultural industry, their state and local communities.
- The team aboard the *Odyssey Explorer* vessel completed search and preliminary inspection operations on the "Olympus" Project, which includes a cluster of five 20th-century shipwrecks believed to be carrying significant cargoes of gold and silver at the time of their sinking in the northern Atlantic. All shipwrecks were located by Odyssey and varying degrees of reconnaissance work was conducted in order to collect data on each wreck. This included multibeam surveys, sub-bottom imaging and visual inspections using a remotely operated vehicle (ROV). The information gathered during this expedition is now being analyzed to determine the financial and technical feasibility of recovery operations on one or more of the shipwrecks in the "Olympus" Project area. Preliminary work to prepare for recovery operations on at least one of the targeted shipwrecks can be performed from the *Odyssey Explorer*.
- Aboard the *Dorado Discovery*, Odyssey technicians using Odyssey equipment conducted scientific experiments and cable repair work under contract to Pelagic Research Services. The team successfully completed several complicated deep-ocean tasks in the Pacific Northwest region for government and university clients including the National Oceanic and Atmospheric Administration (NOAA) and the University of Victoria.
- A new mineral deposit project is also being developed by Odyssey and an application for rights to the tenement area that it lies in has already been filed. In anticipation of acquiring the mineral rights to this prospective deep-sea mineral deposit, Odyssey has developed an expedition plan designed to assess the potential viability and value of the resource. Odyssey's marine operations team stands ready to execute this program as soon as all necessary permissions are secured. The company plans to provide more details on the project as it develops.
- The Marine Management Organisation (MMO) conducted a public consultation in conjunction with the Maritime Heritage Foundation's (MHF) application to proceed with archaeological work on the *Victory-1744* shipwreck site. The consultation period is now closed, and MHF expects to soon receive the results of this process. Separately the MHF is awaiting approval from the Ministry of Defence in order to proceed with the recovery of at-risk surface artifacts.

Management Commentary

"The strategic financing agreement with Penelope Mining, which received strong stockholder support, has the potential to transform our company and increase stockholder value dramatically," said Mark Gordon, Odyssey president and chief executive officer. "It will not only provide capital necessary to move forward on our pipeline of offshore projects, but more importantly we believe that the strategic guidance and resources will be a crucial catalyst to our future success."

"As indicated in the definitive proxy statement, the earliest initial closing date for the equity transaction is 150 days from the date of the agreement, or August 8, however we have not yet met all of the conditions outlined in the agreement. We have received assurances that that Penelope Mining's parent company, MINOSA, intends to proceed with finalizing the transaction upon satisfaction of the conditions. As a demonstration of their commitment, the strategic investor is working very closely with us, dedicating substantial time and corporate resources to assist us to reach the closing as soon as possible.

"We also have been working closely with the MINOSA team on activities connected to the environmental approval for the 'Don Diego' deposit and I'm confident that the approval will be forthcoming. Over the past few weeks the MINOSA and Oceanica teams have jointly completed a series of productive meetings with various government officials that have led to increased understanding and support for this project.

"We will continue to focus on strengthening our financial discipline which has been demonstrated by our 25% improvement in net operating cash flows and total comparable operating expense reduction of 33% compared to second quarter of last year."

Q2 2015 Financial Summary

Total revenue in the second quarter was \$0.4 million, a \$.01 million increase over the revenue in the same period a year ago. The majority of revenue in both quarters was generated from the sales of inventory items such as coins. The second quarter of 2015 included \$0.2 million of expedition revenue resulting from the chartering of the company's services to a third party.

Marketing, general and administrative expenses increased by \$1.0 million from \$2.4 million in 2014 to \$3.4 million in 2015. This variance is the result of (i) a reversal (reduction in expenses) in 2014 of a 2013 bad debt provision of \$0.5 million, (ii), increased legal and transaction costs in 2015 related to the Stock Purchase Agreement signed with MINOSA and the subsequent Shareholders approval of the Agreement in June, and (iii) the accelerated vesting of restricted stock units related to the retirement of the company's General Counsel in June 2015.

Operations and research expenses increased by \$0.1 million from 2014 to 2015, however there were several changes in the components of this expense category. The second quarter of 2014 included a credit to expenses (reduction in expenses) of \$3.5 million for the Priority Cost Recoupment on the SS *Central America* shipwreck project, but also included higher operating expenses in the period since the company's *Odyssey Explorer* vessel was working full-time off-shore on this project. The company also leased the Dorado Discovery vessel the same period a year ago on a full-time basis for mineral exploration projects. The second quarter of 2015 did not include any credit to expenses for a shipwreck project, but vessel costs were lower since Odyssey did not charter a vessel during this period and the company's *Odyssey Explorer* vessel worked full-time off-shore for only one month in the period.

Total operating expenses for the second quarter of 2015 were \$6.4 million compared to \$5.2 million in the same quarter of 2014. Although this may look like an increase of \$1.2 million or 23%, operating expenses have been managed down significantly. If the 2014 numbers are adjusted for the one-time credit to expenses related to the 2014 reversal of the bad debt provision (\$0.5 million) and the 2014 credit to expenses for the SS *Central America* project (\$3.5 million) and adjust the 2015 operating costs for the one-time non-cash expense related to the June 2015 retirement of the General Counsel (\$0.2 million), then total operating expenses were actually reduced by a third or by \$3 million from the second quarter of 2014 to the second quarter of 2015.

The net loss in the first quarter of 2015 was \$6.1 million or \$(0.07) per share, as compared to a net loss of \$4.0 million or \$(0.05) per share in the same year-ago quarter.

Cash and cash equivalents totaled \$5.6 million at June 30, 2015, an increase of \$2.5 million from the \$3.1 million at December 31, 2014. The increase was primarily due to financing cash inflows from the recent loans made to Odyssey by MINOSA in the period March through June 2015.

Financial debt of the company increased by \$14.0 million in the first six months of 2015, from a balance of \$21.2 million at December 31, 2014 to a balance of \$35.2 million at June 30, 2015. From March 11, 2015, through June 30, 2015, Odyssey received loans from MINOSA for a total amount of \$14.75 million.

In the first six months of 2015, operating cash flows improved by \$4.2 million, or over 25% compared to the same period a year ago. The improvement is a result of actions taken to reduce expenditures, such as terminating the long-term lease of a vessel and eliminating certain corporate positions. In the first six months of 2015, investing activities generated net cash inflows as Odyssey took actions to sell certain assets, such as one of its buildings, as well as reducing capital expenditures. Financing

activities also provided significant cash inflows in 2015 as Odyssey the entered into the loan agreement with MINOSA.

The SEC Form 10-Q is available via the investors section of the company's website at www.odysseymarine.com as well as the SEC's website at www.sec.gov.

Conference Call

Odyssey will hold a conference call to discuss the second quarter results later this morning at 10:00 a.m. Eastern time.

Shareholders may submit questions for management to address on the call by emailing IR@odysseymarine.com.

Date: Friday, August 7, 2015

Time: 10:00 a.m. Eastern time (7:00 a.m. Pacific time)

Dial-in number: 1-888-684-1259

International dial-in number: 1-913-312-1510

Conference ID: 8532076

Webcast: <http://public.viavid.com/index.php?id=115731>

The conference call will be webcast live and available for replay via the investor section of the company's website at www.odysseymarine.com.

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Liolios Group at 1-949-574-3860.

A replay of the call will be available approximately two hours after the call through September 7, 2015.

Toll-free replay number: 1-877-870-5176

International replay number: 1-858-384-5517

Replay ID: 8532076

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.. The company also maintains a Facebook page at <http://www.facebook.com/OdysseyMarine> and a Twitter feed @OdysseyMarine. For additional details on Odyssey Marine Exploration, please visit 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, 2014, which was filed with the Securities and Exchange Commission on March 16, 2015. 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," and "inferred" "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 urged to consider closely the disclosures in the our Form 10-K which may be secured from us or from the SEC's website at <http://www.sec.gov/edgar.shtml>.

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

Unaudited
June 30, December 31,

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,624,342	\$ 3,143,550
Restricted cash	233,550	520,728
Accounts receivable and other, net	280,212	6,476,049
Inventory	336,047	674,992
Other current assets	501,262	655,662
Total current assets	6,975,413	11,470,981
PROPERTY AND EQUIPMENT		
Equipment and office fixtures	24,320,000	24,895,343
Building and land	3,764,103	3,758,688
Building and land held for sale	—	1,024,999
Accumulated depreciation	(22,436,187)	(22,443,492)
Total property and equipment	5,647,916	7,235,538
NON-CURRENT ASSETS		
Accounts receivable	6,290,465	—
Inventory	4,985,525	5,110,967
Other non-current assets	1,364,690	1,272,053
Total non-current assets	12,640,680	6,383,020
Total assets	\$ 25,264,009	\$ 25,089,539
LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	\$ 2,502,591	\$ 5,070,973
Accrued expenses and other	3,482,420	2,387,962
Deferred income	383,148	—
Derivative liabilities	2,477,458	2,226,445
Mortgage and loans payable	23,342,488	9,356,724
Total current liabilities	32,188,105	19,042,104
LONG-TERM LIABILITIES		
Mortgage and loans payable	11,828,662	11,808,157
Deferred income and revenue participation rights	4,643,750	4,643,750
Total long-term liabilities	16,472,412	16,451,907
Total liabilities	48,660,517	35,494,011
Commitments and contingencies (NOTE H)		
STOCKHOLDERS' EQUITY/(DEFICIT)		
Preferred stock - \$.0001 par value; 9,567,600 shares authorized; none outstanding	—	—
Preferred stock series D convertible - \$.0001 par value; 242,400 shares authorized; 0 and 32,400 issued and outstanding, respectively	—	3
Common stock - \$.0001 par value; 150,000,000 shares authorized; 89,778,081 and 85,582,502 issued and outstanding	8,978	8,558
Additional paid-in capital	202,234,593	198,323,630

Accumulated deficit	(218,267,941)	(202,427,252)
Total stockholders' equity/(deficit) before non-controlling interest	(16,024,370)	(4,095,061)
Non-controlling interest	(7,372,138)	(6,309,411)
Total stockholders' equity/(deficit)	(23,396,508)	(10,404,472)
Total liabilities and stockholders' equity/(deficit)	\$ 25,264,009	\$ 25,089,539

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS - Unaudited

	Three Months Ended		Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
REVENUE				
Artifact sales and other	\$ 226,733	\$ 323,264	\$ 321,174	\$ 887,866
Exhibit	12,500	25,000	33,352	26,484
Expedition	204,310	—	204,310	—
Total revenue	443,543	348,264	558,836	914,350
OPERATING EXPENSES				
Cost of sales - artifacts and other	164,589	57,885	377,465	177,490
Marketing, general and administrative	3,354,227	2,394,323	6,370,213	5,408,848
Operations and research	2,889,590	2,747,707	6,251,056	9,843,390
Common stock issued for subsidiary stock option settlement	—	—	2,520,000	—
Total operating expenses	6,408,406	5,199,915	15,518,734	15,429,728
INCOME (LOSS) FROM OPERATIONS	(5,964,863)	(4,851,651)	(14,959,898)	(14,515,378)
OTHER INCOME (EXPENSE)				
Interest income	36	22,586	95	24,637
Interest expense	(1,019,443)	(135,307)	(1,681,725)	(662,927)
Change in derivative liabilities fair value	211,890	553,693	(251,013)	370,979
(Loss) from unconsolidated entity	—	(522,500)	—	(522,500)
Other	7,494	11,346	(10,874)	21,043
Total other income (expense)	(800,023)	(70,182)	(1,943,517)	(768,768)
(LOSS) BEFORE INCOME TAXES	(6,764,886)	(4,921,833)	(16,903,415)	(15,284,146)
Income tax benefit (provision)	—	481,055	—	481,055
NET (LOSS) BEFORE NON-CONTROLLING INTEREST	(6,764,886)	(4,440,778)	(16,903,415)	(14,803,091)
Non-controlling interest	638,668	424,897	1,062,726	988,452
NET (LOSS)	<u>\$ (6,126,218)</u>	<u>\$ (4,015,881)</u>	<u>\$ (15,840,689)</u>	<u>\$ (13,814,639)</u>
NET (LOSS) PER SHARE				
Basic and diluted (See NOTE B)	<u>\$ (.07)</u>	<u>\$ (.05)</u>	<u>\$ (.18)</u>	<u>\$ (.16)</u>

Weighted average number of common shares outstanding with participating

securities per the two-class method

Basic

89,633,458 84,898,133 88,083,259 84,420,661

Diluted

89,633,458 84,898,133 88,083,259 84,420,661

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