



March 16, 2015

## Odyssey Marine Exploration Reports Fourth Quarter and Full Year 2014 Results

### Odyssey Recovers High-Value Shipwreck Cargo for Third Consecutive Year and Advances Seabed Minerals Business

TAMPA, Fla., March 16, 2015 (GLOBE NEWSWIRE) -- Odyssey Marine Exploration, Inc. (Nasdaq:OMEX), a pioneer in the field of deep-ocean exploration, reports results for the fourth quarter and full year ended December 31, 2014.

#### Fourth Quarter 2014 Highlights

- Received consent of the United Kingdom's Secretary of State for Defence to proceed with the archaeological investigation and recovery of at-risk artifacts from HMS *Victory* (1744) shipwreck site. Subsequent to the end of the fourth quarter, the consent was withdrawn to address issues raised in a request for Judicial Review of the original consent. The Maritime Heritage Foundation (MHF) has informed Odyssey that they expect the Ministry of Defence (MOD) to promptly issue a new consent. An application to the UK Marine Management Organisation (MMO) was submitted in December 2014 seeking a permit for the *Victory* project. A decision on the application is expected in late first or early second quarter of 2015;
- Began discussions with several potential strategic investors based on their interest in Odyssey's various seafloor mineral projects, which led to the recently announced financing agreement with a strategic investor for offshore mineral and resource exploration;
- Met milestones to realize full \$10 million loan from Monaco Financial, a leading coin dealer and the company's strategic marketing partner;
- Odyssey President Mark D. Gordon assumed the additional role of CEO and John D. Longley was appointed as COO;
- Conducted further testing of company's new deep-sea search equipment and moved the *Odyssey Explorer* vessel to the UK for yearly maintenance and to prepare it for the 2015 shipwreck search and recovery operations;
- Reduced fourth quarter total operating expenses by 43%, or \$4.6 million, compared to the same quarter in the previous year.

#### Shipwreck Projects Update

During the fourth quarter of 2014, the company conducted additional survey work on of the SS *Central America* shipwreck site after conducting archaeological recovery work from mid-April through mid-September. During the five months of work conducted on the SS *Central America* shipwreck site, more than 15,500 silver and gold coins, 45 gold ingots, gold dust, gold nuggets, jewelry, and various other artifacts were recovered.

Although significant quantities of gold and silver cargo items were recovered from the SS *Central America* shipwreck in 2014, no revenues were recognized in 2014 from the project. The ability to monetize cargo from this project is dependent on a final judicial ruling from the United States District Court.

The UK Ministry of Defence (MOD) withdrew its consent early this month to proceed with the archaeological investigation and recovery of at-risk artifacts from the wreck site of HMS *Victory*. The MOD withdrew its consent in order to address issues raised in an application for Judicial Review of the original consent. The Maritime Heritage Foundation (MHF) expects the MOD to promptly issue a new consent. An application to the UK Marine Management Organisation (MMO) was submitted in December 2014 seeking a permit for the *Victory* project. A decision on the application is expected in late first or early second quarter of 2015.

#### Seabed Mineral Exploration Update

In the third quarter of 2014, the Environmental Impact Assessment (EIA) for proposed dredging and recovery of phosphate sands from the "Don Diego" deposit was filed with the Mexican Secretary of Environment and Natural Resources (SEMARNAT).

In November 2014, SEMARNAT held a public hearing on the EIA in Mexico and asked supplemental questions to Oceanica about its EIA application. In full compliance with the SEMARNAT process, a response was filed in March 2015. In addition to providing supplemental scientific information and studies, the response included additional mitigation and economic considerations to reinforce Oceanica's commitment to being good corporate citizens and stewards of the environment.

#### Management Commentary

"For the third consecutive year, Odyssey successfully located and recovered 'tens of millions of dollars' worth of shipwreck cargo and expanded its seabed minerals business," said Mark Gordon, Odyssey's president and chief executive officer. "Although in 2012 and 2013, we were able to monetize shipwreck cargo in the same year it was recovered, we were not able to do so in 2014 because the Receiver for Recovery Limited Partnership (RLP) is awaiting a final court ruling in the SS *Central America* case which is expected later this year. This resulted in the lower year-over-year financial results. However, the technical exploration and recovery operations were again outstanding, and the experience we gained enhanced our future capabilities for similar projects."

"The strategic funding we announced last week will enable us to continue our ongoing operations and dramatically advance our business of locating and recovering assets on the sea floor," continued Gordon.

"We will not abandon our shipwreck roots, but we will be more selective in the projects we undertake to lower the risk profile on these projects. Additional shipwreck projects will be subjected to a level of scrutiny that will require favorable comparison to mineral exploration projects in terms of risk and reward. This kind of increased financial discipline has allowed us to reduce total operating expenses by 43% in the fourth quarter of 2014 as compared to the same year-ago quarter."

#### **Fourth Quarter and Full Year 2014 Financial Results**

Total revenue in the fourth quarter of 2014 was \$0.3 million, compared to \$17.2 million in the same year-ago quarter. Total revenue for the full year of 2014 was \$1.3 million versus \$23.9 million in 2013. The decrease in revenue in both periods was primarily attributed to the SS *Gairsoppa* shipwreck silver bullion sales that occurred in 2013 as compared to no similar shipwreck cargo monetization in 2014.

Operations and research expenses in the fourth quarter of 2014 were \$4.5 million as compared to \$6.6 million in the same year-ago quarter. Operations and research expenses for the full year of 2014 were \$19.5 million versus \$26.0 million in 2013. The decrease in operations and research expenses in both periods is primarily due to the use of a company-owned vessel for the cargo recovery operations in 2014 as compared to the use of a leased vessel in 2013, and due to the termination of the lease of the *Dorado Discovery* vessel in the third quarter of 2014. The decrease in operations and research expenses was partially offset by one-time accelerated depreciation and impairment charges related to equipment on the *Dorado Discovery* vessel.

Marketing, general and administrative expenses in the fourth quarter of 2014 were \$1.6 million, as compared to \$3.8 million in the same year-ago quarter. The quarterly decrease in marketing, general and administrative expenses is primarily due to higher legal expenses in the fourth quarter of 2013. Marketing, general and administrative expenses for the full year of 2014 were \$9.8 million as compared to \$14.2 million in 2013. The year-over-year decrease in marketing, general and administrative expenses was primarily due to one-time expenses in 2013 which included legal expenses, a provision made on a loan, and the departure costs of the former CFO. Furthermore, some annual incentive bonuses were awarded to management in 2013 whereas no such bonuses were awarded to management in 2014.

The net loss for the fourth quarter of 2014 was \$5.2 million or \$(0.06) per share, as compared to net income of \$10.8 million or \$0.13 per share in the same year-ago quarter. For the full year of 2014, the net loss was \$26.5 million or \$(0.31) per share, as compared to a net loss of \$10.7 million or \$(0.13) per share in 2013.

Cash and cash equivalents totaled \$3.1 million at December 31, 2014, compared to \$21.3 million at December 31, 2013. The decrease in cash was primarily due to normal operating costs and the costs of the recovery of cargo from the SS *Central America* shipwreck for which there was no monetization in 2014.

2013 cash flows were strengthened by the sale of \$27.5 million worth of stock in Oceanica (Odyssey's phosphate subsidiary), while no such sale of subsidiary stock occurred in 2014.

Subsequent to the end of the quarter, Odyssey entered into a financing agreement with a strategic investor for offshore mineral and resource exploration. Under the agreement, the strategic investor will extend short-term debt financing to Odyssey of up to \$14.75 million and, subject to Odyssey shareholder approval and the satisfaction of other conditions, may invest further amounts into equity instruments of Odyssey. Further details regarding the debt and equity financing are available in the related [press release](#) and the Form 8-K that was filed on March 13. This financing agreement was signed after the issuance of the independent auditor's opinion on the 2014 financial statements.

Consolidated financial statements as well as the full filing 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).

#### **Conference Call**

Odyssey will hold a conference call to discuss the fourth quarter and annual results later this morning, Monday, March 16, 2015, at 10:00 a.m. Eastern time.

Investors and analysts may submit questions for management to address on the call by emailing [IR@odysseymarine.com](mailto:IR@odysseymarine.com).

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization.

The conference call will be webcast live, as well as available for replay via the investor section of the company's website at [www.odysseymarine.com](http://www.odysseymarine.com).

Date: Monday, March 16, 2015

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

Dial-in number: 1-888-601-3877

International dial-in number: 1-913-312-1477

Conference ID: 3297877

Webcast: <http://public.viavid.com/index.php?id=113620>

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 April 16, 2015.

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

International replay number: 1-858-384-5517

Replay ID: 3297877

### **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). 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](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, 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>.

	<u>December 31,</u> <u>2014</u>	<u>December 31,</u> <u>2013</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 3,143,550	\$ 21,322,257
Restricted cash	520,728	10,685,732
Accounts receivable and other, net	6,476,049	207,005
Inventory	674,992	314,738
Other current assets	<u>655,662</u>	<u>1,080,364</u>
Total current assets	<u>11,470,981</u>	<u>33,610,096</u>
PROPERTY AND EQUIPMENT		
Equipment and office fixtures	24,895,343	21,995,031
Building and land	3,758,688	4,756,306
Building and land held for sale	1,024,999	—
Accumulated depreciation	<u>(22,443,492)</u>	<u>(16,973,085)</u>
Total property and equipment	<u>7,235,538</u>	<u>9,778,252</u>
NON-CURRENT ASSETS		
Inventory	5,110,967	5,206,318
Other non-current assets	<u>1,272,053</u>	<u>2,865,941</u>
Total non-current assets	<u>6,383,020</u>	<u>8,072,259</u>
Total assets	<u>\$ 25,089,539</u>	<u>\$ 51,460,607</u>
LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	\$ 5,070,973	\$ 3,472,612
Accrued expenses and other	2,387,962	5,294,420
Deferred income and revenue participation rights	—	1,840,404
Derivative liabilities	2,226,445	970,823
Mortgage and loans payable	<u>9,356,724</u>	<u>16,369,582</u>
Total current liabilities	<u>19,042,104</u>	<u>27,947,841</u>
LONG-TERM LIABILITIES		
Mortgage and loans payable	11,808,157	5,662,226
Deferred income and revenue participation rights	<u>4,643,750</u>	<u>4,643,750</u>
Total long-term liabilities	<u>16,451,907</u>	<u>10,305,976</u>
Total liabilities	<u>35,494,011</u>	<u>38,253,817</u>
Commitments and contingencies		
STOCKHOLDERS' EQUITY/(DEFICIT)		

Preferred stock -- \$.0001 par value; 9,675,200 shares authorized; none outstanding	—	—
Preferred stock series D convertible -- \$.0001 par value; 134,800 shares authorized; 32,400 issued and outstanding	3	3
Common stock - \$.0001 par value; 150,000,000 shares authorized; 85,582,502 and 83,882,577 issued and outstanding	8,558	8,388
Additional paid-in capital	198,323,630	193,272,576
Accumulated deficit	<u>(202,427,252)</u>	<u>(175,954,138)</u>
Total stockholders' equity/(deficit) before non-controlling interest	(4,095,061)	17,326,829
Non-controlling interest	<u>(6,309,411)</u>	<u>(4,120,039)</u>
Total stockholders' equity/(deficit)	<u>(10,404,472)</u>	<u>13,206,790</u>
Total liabilities and stockholders' equity/(deficit)	<u>\$ 25,089,539</u>	<u>\$ 51,460,607</u>

**ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**

	<u>(unaudited)</u>		<u>(audited)</u>	
	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
REVENUE				
Recovered cargo sales and other	288,486	17,104,685	1,271,398	23,670,264
Exhibits	--	11,911	51,484	112,129
Expedition	--	<u>126,076</u>	--	<u>131,556</u>
TOTAL REVENUE	288,486	17,242,672	1,322,882	23,913,949
COSTS AND EXPENSES				
Cost of sales	42,571	284,433	247,087	694,787
Operations and research	4,519,338	6,620,791	19,477,227	26,024,548
Marketing, general and administrative	<u>1,600,051</u>	<u>3,771,377</u>	<u>9,791,260</u>	<u>14,161,465</u>
Total operating expenses	6,161,960	10,676,601	29,515,574	40,880,800
INCOME (LOSS) FROM OPERATIONS	(5,873,474)	6,566,071	(28,192,692)	(16,966,851)
OTHER INCOME (EXPENSE)				
Interest income	108	3,136	25,302	9,966
Interest expense	(628,435)	(698,026)	(1,560,254)	(3,581,642)
Change in derivative liabilities fair value	324,859	2,178,738	1,001,679	4,385,380
Gain on silver fixed price swap		1,206,350	--	1,206,350
(Loss) from unconsolidated entity	--	--	(522,500)	--
Other	<u>(8,618)</u>	<u>441,880</u>	<u>104,922</u>	<u>581,543</u>
Total other income (expense)	<u>(312,086)</u>	<u>3,132,078</u>	<u>(950,851)</u>	<u>2,601,597</u>
INCOME (LOSS) BEFORE INCOME TAXES	(6,185,560)	9,698,149	(29,143,543)	(14,365,254)
Income tax benefit (provision)	--	<u>(160,064)</u>	<u>481,055</u>	<u>(496,055)</u>
NET INCOME (LOSS) before non-controlling interest	(6,185,560)	9,538,085	(28,662,488)	(14,861,309)

Noncontrolling interest	<u>942,208</u>	<u>1,213,391</u>	<u>2,189,374</u>	<u>4,120,037</u>
NET INCOME (LOSS)	<u>(5,243,352)</u>	<u>10,751,476</u>	<u>(26,473,114)</u>	<u>(10,741,272)</u>
BASIC AND DILUTED EARNINGS PER SHARE	<u>\$ (0.06)</u>	<u>\$ 0.13</u>	<u>\$ (0.31)</u>	<u>\$ (0.13)</u>

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