

**ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

	<u>(Unaudited)</u> <u>September 30,</u> <u>2005</u>	<u>December 31,</u> <u>2004</u>
<b>ASSETS</b> .....		
<b>CURRENT ASSETS</b> .....		
Cash and cash equivalents .....	\$ 4,440,647	\$ 3,050,721
Accounts receivable, net .....	578,320	2,104,914
Inventory .....	3,324,615	3,759,552
Deferred tax asset .....	—	1,651,604
Other current assets .....	862,549	640,150
Total current assets .....	<u>9,206,131</u>	<u>11,206,941</u>
<b>PROPERTY AND EQUIPMENT</b> .....		
Equipment and office fixtures .....	10,459,687	6,612,764
Building and land .....	3,862,089	3,333,481
Accumulated depreciation .....	(2,265,731)	(1,328,202)
Total property and equipment .....	<u>12,056,045</u>	<u>8,618,043</u>
<b>OTHER ASSETS</b> .....		
Inventory (non current) .....	7,380,308	5,945,177
Deferred tax asset .....	6,808,806	1,176,796
Attraction development .....	1,525,325	569,634
Other non current assets .....	395,180	404,209
Total other assets .....	<u>16,109,619</u>	<u>8,095,816</u>
Total assets .....	<u>\$ 37,371,795</u>	<u>\$ 27,920,800</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b> .....		
<b>CURRENT LIABILITIES</b> .....		
Accounts payable .....	\$ 715,182	\$ 591,138
Accrued expenses .....	1,421,778	2,024,882
Mortgage and loans payable .....	111,433	173,700
Deposits .....	16,403	19,098
Deferred tax liability .....	629,055	—
Total current liabilities .....	<u>2,893,851</u>	<u>2,808,818</u>
<b>LONG TERM LIABILITIES</b> .....		
Mortgage payable .....	1,783,333	1,858,333
Deferred income from Revenue Participation Certificates .....	887,500	887,500
Total long term liabilities .....	<u>2,670,833</u>	<u>2,745,833</u>
Total liabilities .....	<u>5,564,684</u>	<u>5,554,651</u>
<b>STOCKHOLDERS' EQUITY</b> .....		
Preferred stock - \$.0001 par value; 9,300,000 shares authorized; none outstanding .....	—	—
Preferred stock series A convertible - \$.0001 par value; 510,000 shares authorized; none issued or outstanding .....	—	—
Common stock - \$.0001 par value; 100,000,000 Shares authorized; 44,264,524 and 38,530,599 issued and outstanding .....	4,426	3,853
Additional paid-in capital .....	40,085,532	26,430,934
Unrealized gain on investments, net of tax .....	—	554
Accumulated deficit .....	(8,282,847)	(4,069,192)
Total stockholders' equity .....	<u>31,807,111</u>	<u>22,366,149</u>
Total liabilities and stockholders' equity .....	<u>\$ 37,371,795</u>	<u>\$ 27,920,800</u>

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

	Three Months Ended	
	September 30, 2005	November 30, 2004
REVENUE.....	\$ 986,682	\$ 6,300,371
OPERATING EXPENSES .....		
Cost of sales .....	190,633	290,742
Marketing, general & administrative.....	2,335,420	1,379,720
Operations & research .....	3,808,427	703,377
Total operating expenses .....	6,334,480	2,373,839
INCOME (LOSS) FROM OPERATIONS .....	(5,347,798)	3,926,532
OTHER INCOME (EXPENSE) .....		
Interest income .....	6,900	2,653
Interest expense .....	(32,365)	(32,677)
Other.....	13,127	8,859
Total other income (expense) .....	(12,338)	(21,165)
INCOME (LOSS) BEFORE INCOME TAXES.....	(5,360,136)	3,905,367
Income tax benefit (provision) .....	2,239,053	(1,493,178)
NET INCOME (LOSS).....	(3,121,083)	2,412,189
EARNINGS (LOSS) PER SHARE.....		
Basic .....	\$ (.07)	\$ .06
Diluted.....	\$ (.07)	\$ .06
Weighted average number of common shares outstanding.....		
Basic .....	42,738,172	38,530,599
Diluted .....	42,738,172	39,241,760

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

	Nine Months Ended	
	September 30, 2005	November 30, 2004
REVENUE.....	\$ 8,162,016	\$ 15,879,000
OPERATING EXPENSES .....		
Cost of sales .....	760,724	1,819,459
Marketing, general & administrative.....	6,539,865	3,615,703
Operations & research .....	7,961,558	1,686,460
Total operating expenses .....	15,262,147	7,121,622
INCOME (LOSS) FROM OPERATIONS .....	(7,100,131)	8,757,378
OTHER INCOME (EXPENSE) .....		
Interest income .....	22,397	4,253
Interest expense .....	(89,112)	(48,917)
Other.....	54,950	35,599
Total other income (expense) .....	(11,765)	(9,065)
INCOME (LOSS) BEFORE INCOME TAXES.....	(7,111,896)	8,748,313
Income tax benefit (provision) .....	2,898,241	(3,461,282)
NET INCOME (LOSS).....	(4,213,655)	5,287,031
EARNINGS (LOSS) PER SHARE.....		
Basic .....	\$ (.10)	\$ .14
Diluted.....	\$ (.10)	\$ .13
Weighted average number of common shares outstanding.....		
Basic .....	41,246,622	38,385,644
Diluted .....	41,246,622	40,360,149

**ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS - Unaudited**

	Nine Months Ended	
	September 30, 2005	November 30, 2004
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b> .....		
Net Income (Loss).....	\$ (4,213,655)	\$ 5,287,031
Adjustments to reconcile net loss to net cash used by operating activity: .....		
Deferred income taxes .....	(3,351,351)	3,461,282
Depreciation .....	971,282	313,880
(Gain) Loss on disposal of equipment .....	43,528	—
Tax benefit related to exercise of employee Stock options.....	453,110	—
(Increase) decrease in: .....		
Accounts receivable .....	1,476,947	(1,640,297)
Inventory .....	(853,724)	(5,453,934)
Other current assets .....	(286,925)	(57,473)
Increase (decrease) in: .....		
Accounts payable .....	110,691	(140,778)
Customer deposits .....	(2,695)	19,098
Accrued expenses.....	(490,311)	1,064,731
<b>NET CASH (USED) IN OPERATING ACTIVITIES</b> .....	<b>(6,143,103)</b>	<b>2,853,540</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b> .....		
Purchase of property and equipment .....	(4,083,865)	(1,984,653)
Proceeds from sale of equipment .....	49,647	—
Attraction development.....	(1,151,745)	(433,204)
Purchase of building improvements .....	(245,803)	(1,255,581)
<b>NET CASH (USED) IN INVESTING ACTIVITIES</b> .....	<b>(5,431,766)</b>	<b>(3,673,438)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b> .....		
Proceeds from issuance of common stock .....	13,547,062	1,030,313
Sale of marketable securities.....	—	1,991,554
Broker commission and fees on private offering .....	(445,000)	—
Loan payable .....	—	1,523,700
Repayment of mortgage and loans payable.....	(137,267)	(1,483,332)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b> .....	<b>12,964,795</b>	<b>3,062,235</b>
<b>NET INCREASE IN CASH</b> .....	<b>1,389,926</b>	<b>2,242,337</b>
<b>CASH AT BEGINNING OF PERIOD</b> .....	<b>3,050,721</b>	<b>1,351,340</b>
<b>CASH AT END OF PERIOD</b> .....	<b>\$ 4,440,647</b>	<b>\$ 3,593,677</b>
<b>SUPPLEMENTARY INFORMATION:</b> .....		
Interest paid.....	\$ 87,367	\$ 44,640
Income taxes paid.....	\$ —	\$ —
<b>NON CASH TRANSACTIONS:</b> .....		
Depreciation reclassified as inventory .....	\$ 72,912	\$ 327,363
Accrued compensation paid by common stock.....	\$ 100,000	\$ —