

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	<u>(Unaudited)</u> <u>March 31,</u> <u>2006</u>	<u>December 31,</u> <u>2005</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents.....	\$ 8,088,341	\$ 3,283,331
Accounts receivable, net	983,297	1,527,913
Inventory	4,244,475	4,728,394
Other current assets	640,417	729,678
Total current assets	13,956,530	10,269,316
PROPERTY AND EQUIPMENT		
Equipment and office fixtures	10,909,569	10,745,738
Building and land	4,021,323	3,973,988
Accumulated depreciation.....	(3,232,886)	(2,738,572)
Total property and equipment.....	11,698,006	11,981,154
OTHER ASSETS		
Inventory (non current)	6,373,154	5,839,914
Attraction development	1,172,475	1,172,475
Other non current assets	923,232	927,599
Total other assets	8,468,861	7,939,988
Total assets	\$ 34,123,397	\$ 30,190,458
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 359,116	\$ 601,129
Accrued expenses.....	834,173	1,843,261
Mortgage and loans payable.....	111,250	111,433
Deposits.....	136,404	103,069
Total current liabilities.....	1,440,943	2,658,892
LONG TERM LIABILITIES		
Mortgage payable.....	1,733,333	1,758,333
Deferred income from Revenue Participation Certificates.....	887,500	887,500
Total long term liabilities.....	2,620,833	2,645,833
Total liabilities	4,061,776	5,304,725
STOCKHOLDERS' EQUITY		
Preferred stock - \$.0001 par value; 6,800,000 and 9,300,000 shares authorized; none outstanding.....	—	—
Preferred stock series A convertible - \$.0001 par value; 510,000 shares authorized; none issued or outstanding	—	—
Preferred stock series D convertible - \$.0001 par value; 2,500,000 and 0 shares authorized, issued and outstanding.....	250	—
Common stock - \$.0001 par value; 100,000,000 Shares authorized; 46,087,678 and 45,823,224 issued and outstanding.....	4,609	4,582
Additional paid-in capital.....	52,974,527	43,870,228
Accumulated deficit	(22,917,765)	(18,989,077)
Total stockholders' equity	30,061,621	24,885,733
Total liabilities and stockholders' equity.....	\$ 34,123,397	\$ 30,190,458

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

	Three Months Ended	
	March 31, 2006	March 31, 2005
REVENUE.....	\$ 865,179	\$ 3,349,516
OPERATING EXPENSES		
Cost of sales	114,330	216,282
Marketing, general & administrative.....	2,401,361	1,920,927
Operations & research.....	2,264,055	1,312,461
Total operating expenses.....	4,779,746	3,449,670
INCOME (LOSS) FROM OPERATIONS	(3,914,567)	(100,154)
OTHER INCOME (EXPENSE)		
Interest income	13,703	8,528
Interest expense	(42,120)	(28,511)
Other.....	14,297	13,511
Total other income (expense).....	(14,120)	(6,472)
INCOME (LOSS) BEFORE INCOME TAXES.....	(3,928,687)	(106,626)
Income tax benefit (provision)	—	94,720
NET INCOME (LOSS)	(3,928,687)	(11,906)
EARNINGS (LOSS) PER SHARE		
Basic and diluted	\$ (0.09)	\$.00
Weighted average number of common shares outstanding		
Basic and diluted.....	45,965,907	39,276,793

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

	Three Months Ended	
	March 31, 2006	March 31, 2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ (3,928,687)	\$ (11,906)
Adjustments to reconcile net loss to net cash used by operating activity:		
Deferred income taxes	—	(116,922)
Depreciation and amortization.....	496,841	227,271
(Gain) Loss on disposal of equipment.....	—	(14,550)
Share based compensation.....	41,508	—
Tax benefit related to exercise of employee Stock options	—	22,202
(Increase) decrease in:		
Accounts receivable	491,080	(223,616)
Inventory	(49,322)	(504,201)
Other assets	91,101	(769,221)
Increase (decrease) in:		
Accounts payable	(242,010)	308,862
Customer deposits	33,334	(3,065)
Accrued expenses	(955,553)	(933,656)
NET CASH (USED) IN OPERATING ACTIVITIES	(4,021,708)	(2,018,802)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment.....	(211,167)	(552,384)
Proceeds from sale of equipment	—	49,647
Attraction development.....	—	(1,677,360)
Purchase of building improvements.....	—	(74,177)
NET CASH (USED) IN INVESTING ACTIVITIES	(211,167)	(2,254,274)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock	313,068	6,919,750
Proceeds from issuance of preferred stock.....	8,750,000	—
Broker commission and fees on private offering	—	(400,000)
Loan payable.....	1,511,250	—
Repayment of mortgage and loans payable	(1,536,433)	(25,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	9,037,885	6,494,750
NET INCREASE IN CASH.....	4,805,010	2,221,674
CASH AT BEGINNING OF PERIOD	3,283,331	3,050,721
CASH AT END OF PERIOD	\$ 8,088,341	\$ 5,272,395
SUPPLEMENTARY INFORMATION:		
Interest paid.....	\$ 34,045	\$ 27,766
Income taxes paid	\$ —	\$ —
NON CASH TRANSACTIONS:		
Depreciation reclassified as inventory	\$ —	\$ 72,912
Accounts receivable paid by services	\$ 53,539	\$ —
Accrued compensation paid by common stock.....	\$ —	\$ 100,000