

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

ODYSSEY MARINE EXPLORATION INC
Form 10QSB
July 15, 2003

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended May 31, 2003

Commission File Number 0-26136

ODYSSEY MARINE EXPLORATION, INC.

(Exact name of small business issuer as specified in its charter)

Nevada

84-1018684

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
identification No.)

3604 Swann Avenue, Tampa, Florida 33609

(Address of principal executive offices)

(813) 876-1776

(Registrant's telephone number including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[X] Yes [] No

As of June 30, 2003, the Registrant had 28,994,157 shares of Common Stock, \$.0001 Par Value, outstanding.

Transitional Small Business Disclosure format: Yes [] No [X]

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

INDEX

Part I: Financial Information	Page No.
Item 1. Financial Statements:	
Unaudited Consolidated Balance Sheet - as of May 31, 2003	3
Unaudited Consolidated Statements of Operations, Three Months Ended May 31, 2003 and 2002.....	4
Unaudited Consolidated Statements of Cash Flows, Three Months Ended May 31, 2003 and 2002.....	5 - 6
Notes to Consolidated Financial Statements.....	7 - 9
Item 2. Management's Plan of Operation.....	10 - 11
Item 3. Controls and Procedures.....	12
Part II: Other Information	
Item 1. Legal Proceedings.....	12
Item 2. Changes in Securities.....	12 - 13
Item 3. Defaults Upon Senior Securities.....	13
Item 4. Submission of Matters to a Vote of Security Holders.....	13
Item 5. Other Information.....	13
Item 6. Exhibits and Reports on Form 8-K.....	13
Signatures	14

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET AS OF MAY 31, 2002 - Unaudited

ASSETS

CURRENT ASSETS

Cash	\$ 896,029
Account receivable	37,200
Advances	4,283
Prepaid expenses	116,580

Total current assets	1,054,092

PROPERTY AND EQUIPMENT

Equipment and office fixtures	952,241
Accumulated depreciation	(288,440)

	663,801

OTHER ASSETS

Loans receivable from related parties	259,283
Inventory	19,692
Deposits	36,533

	315,508

	\$ 2,033,401
	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 189,031
Accrued expenses	39,800
Notes payable	660,250

Total current liabilities	889,081

DEFERRED INCOME FROM REVENUE PARTICIPATION CERTIFICATES

887,500

STOCKHOLDERS' EQUITY

Preferred stock - \$.0001 par value; 9,299,999 shares authorized; none outstanding	-
Preferred stock series A convertible - \$.0001 par value; 510,000 shares authorized; none issued and none outstanding	-
Preferred stock series C convertible - \$.0001 par value; 1 share authorized; 1 share issued and outstanding	-
Common stock - \$.0001 par value; 100,000,000 shares authorized; 28,994,156 issued and outstanding	2,899
Additional paid-in capital	10,812,179
Accumulated deficit	(10,558,258)

Total stockholders' equity	256,820

	\$ 2,033,401
	=====

The accompanying notes are an integral part of these financial statements.

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

	Three Months Ended May 31, 2003	2002
	-----	-----
REVENUE	59,367	-
GENERAL AND ADMINISTRATIVE EXPENSES		
Administrative	459,184	278,801
Depreciation	31,022	19,144
	-----	-----
Total general and administrative	490,206	297,945
OPERATING EXPENSES		
Project operations	235,662	239,215
Marketing and promotion	18,500	20,367
	-----	-----
Total operating expenses	254,162	259,582
(LOSS) FROM OPERATIONS	(685,001)	(557,527)
OTHER INCOME (EXPENSE)		
Revenue participation expense	(12,986)	-
Interest income	5,950	8,796
Interest expense	(911)	(1,415)
	-----	-----
Total other income (expense)	(7,947)	7,381
NET LOSS	\$ (692,948)	\$ (550,146)
	=====	=====
(BASIC AND DILUTED LOSS PER SHARE)	\$ (0.02)	\$ (0.02)
Weighted average number of common shares and potential common shares, basic and diluted, outstanding	28,771,910	26,608,140

The accompanying notes are an integral part of these financial statements.

4

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

Three Months Ended May 31,
2003 2002

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

CASH FLOWS FROM OPERATING ACTIVITIES:	-----	-----
Net (Loss)	\$ (692,948)	\$ (550,146)
Adjustments to reconcile net loss to net cash used by operating activity:		
Common Stock issued for:		
Services	33,700	-
Officer and director compensation	50,600	-
Depreciation	31,022	19,144
Interest income	(5,266)	(5,167)
Interest expense	434	1,415
(Increase)decrease in:		
Accounts receivable	(37,200)	-
Advances, prepaids, deposits	(60,826)	(91,181)
Inventory	-	308
Increase(decrease) in:		
Accounts payable	94,088	88,385
Accrued expenses	2,909	12,186
NET CASH(USED) IN OPERATING ACTIVITIES	-----	-----
	(583,487)	(525,056)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(2,759)	(9,875)
NET CASH (USED) IN INVESTING ACTIVITIES	-----	-----
	(2,759)	(9,875)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from:		
Issuance of common stock	-	1,015,000
Related party loans receivable	38,610	-
Notes payable	660,250	-
Repayment of note payable to related party	(2,144)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	-----	-----
	696,716	1,015,000
NET INCREASE IN CASH	110,470	480,069
CASH AT BEGINNING OF PERIOD	785,559	857,549
CASH AT END OF PERIOD	=====	=====
	\$ 896,029	\$ 1,337,618
SUPPLEMENTARY INFORMATION:		
Interest paid	\$ 11,229	-
Income taxes paid	-	-

The accompanying notes are an integral part of these financial statements.

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS - (Continued)

Summary of significant non-cash transactions:

During March 2003 four consultants were issued a total of 58,135 shares of common stock for services valued at \$33,700, and an additional 6,635 shares

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

for an account payable valued at \$5,000 and 7,500 shares for prepaid expense of \$4,200. Also, a note holder elected to convert principal in the amount of \$54,000 into 108,000 shares of common stock.

During March 2003, the compensation committee and board of directors authorized bonus compensation to be partially paid in common stock to Michael Barton, David Morris and George Becker, officers of the Company. Each was awarded a bonus of \$12,000 and received the net amount after taxes of \$7,700 by the issuance of 14,000 shares of common stock. George Knutsson, a Director also received 50,000 shares of common stock for services valued at \$27,500. The compensation was valued at the closing price of the common stock on March 16, 2003 the day prior to the Compensation committee meeting.

The accompanying notes are an integral part of these financial statements.

6

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements of Odyssey Marine Exploration, Inc. and subsidiaries have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission and the

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

instructions to Form 10-QSB and, therefore, do not include all information and footnotes normally included in financial statements prepared in accordance with generally accepted accounting principles. These interim consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in the Company's Form 10-KSB for the year ended February 28, 2003.

In the opinion of management, these financial statements reflect all adjustments (including normal recurring adjustments) necessary for a fair presentation of the financial position as of May 31, 2003, results of operations, and cash flows for the interim periods presented. Operating results for the three months ended May 31, 2003, are not necessarily indicative of the results that may be expected for the year ended February 28, 2004.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue Participation Certificates

Revenue was received during the period that is subject to revenue sharing with holders of the Cambridge Revenue Participation Certificates. The obligation, which was accrued and subsequently paid, has been classified as other expense.

Stock-Based Compensation

We account for stock-based compensation using the intrinsic value method in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and has adopted the disclosure provisions of Statement of Financial Accounting Standards No. 148, "Accounting for Stock-Based Compensation -- Transition and Disclosure, an amendment of FASB Statement No. 123." Under APB No. 25, when the exercise price of our employee stock options equals or exceeds the market price of the underlying stock on the date of grant, no compensation expense is recognized. Accordingly, no compensation expense has been recognized in the consolidated financial statements in connection with employee stock option grants.

The following table illustrates the effect on net income and earnings per share had we applied the fair value recognition provisions of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation," to stock-based employee compensation.

	Three Months Ended May 31,	
	2003	2002
	-----	-----
Net (loss):		
As reported	\$ (692,948)	\$ (550,146)
Pro forma adjustment for compensation	\$ (109,330)	\$ (70,350)
	-----	-----
Pro forma	\$ (802,278)	\$ (620,496)
	=====	=====

7

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basic and diluted(loss) per share:

As reported	\$ (0.02)	\$ (0.02)
Pro forma	\$ (0.03)	\$ (0.02)

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

The weighted average estimated fair value of stock options granted during the three months ended May 31, 2003 and 2002 was \$.53 and \$1.33 respectively. These amounts were determined using the Black-Scholes option-pricing model, which values options based on the stock price at the grant date, the expected life of the option, the estimated volatility of the stock, the expected dividend payments, and the risk-free interest rate over the life of the option. The assumptions used in the Black-Scholes model were as follows for stock options granted in the three months ended May 31:

	2003 -----	2002 -----
Risk-free interest rate	2.3%	2.3%
Expected volatility of common stock	188%	193%
Dividend Yield	0%	0%
Expected life of options	5 years	4 years

The Black-Scholes option valuation model was developed for estimating the fair value of traded options that have no vesting restrictions and are fully transferable. Because option valuation models require the use of subjective assumptions, changes in these assumptions can materially affect the fair value of the options. Our options do not have the characteristics of traded options, therefore, the option valuation models do not necessarily provide a reliable measure of the fair value of our options.

Equity instruments issued, if any, to non-employees in exchange for goods, fees and services are accounted for under the fair value-based method of SFAS No. 123.

Restatement of Fourth Quarter Adjustment

In the fourth quarter for the year ended February 28, 2003, we recorded an adjustment that reduced net loss for the quarter ended May 31, 2002 by \$26,300. The Statement of Operations and Statement of Cash Flows in this report reflect this adjustment.

NOTE C - ACCOUNTS PAYABLE

Accounts payable at May 31, 2003 consist of trade accounts payable of \$114,639 and the balance due on an insurance premium finance agreement including interest at 7.33% of \$74,392 to be paid in eight monthly installments.

NOTE D - NOTES PAYABLE

During the quarter ended May 31, 2003, the Company received subscriptions for \$978,750 of Convertible Notes that are to be fully funded through July 2003. As of May 31, 2003, the Company had collected \$660,250. The Notes become due one year from the date of issuance, bear interest at 8% per annum and are

ODYSSEY MARINE EXPLORATION, INC. AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE D - NOTES PAYABLE - continued

convertible along with any unpaid interest into common stock at \$1.25 per share. If the Notes are converted the note holder will also receive a warrant to purchase one share of common stock at a price of \$2.50 per share for each \$1.25 of principal and interest so converted.

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

NOTE E - GOING CONCERN

We have incurred net losses of \$10,558,258 since inception, and will not generate revenue until we are successful at locating one or more of our target shipwrecks and bringing the find to sale or otherwise generating revenue.

As of May 31, 2003, we had working capital of \$165,011 as indicated by current assets exceeding current liabilities, and will need to raise additional capital to fund our operations during the next twelve months. We plan to sell equity, project specific revenue participation, sponsorships or debt to meet our capital needs.

The financial statements do not include any adjustments that might be necessary if we are unable to continue as a going concern.

Item 2. MANAGEMENT'S PLAN OF OPERATION.

Forward-Looking Information

This Report on Form 10-QSB contains forward-looking statements. The statements regarding Odyssey Marine Exploration, Inc. and its subsidiaries contained in this report that are not historical in nature, particularly those that utilize terminology such as "may," "will," "should," "likely," "expects," "anticipates," "estimates," "believes" or "plans," or comparable terminology, are forward-looking statements based on current expectations and assumptions, and entail various risks and uncertainties that could cause actual results to differ materially from those expressed in such forward-looking statements.

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

Plan of Operation

In the long term, we expect to derive substantially all of our revenue through the sale and/or display of shipwreck cargoes and artifacts, including replicas, and potentially, through the operation of exhibits and/or themed attractions. Therefore, until we are successful in acquiring and marketing artifacts and/or cargoes or opening exhibits or themed attractions, we will be dependent upon investment capital to meet our cash flow requirements. To date, we have conducted private placements of debt, equity and project specific revenue participation to meet our financial obligations.

For the next twelve months, we anticipate spending approximately \$120,000 per month to pay salaries, general office expense and project development expenses. In addition, we spend approximately \$90,000 to \$120,000 per month to operate the RV Odyssey. The level of expense is related to the type of equipment we are deploying and the number of technical crew required for its deployment.

Generally, our current operational plans call for:

- * a pre-disturbance survey and recovery operations on the Sussex Project,
- * completing the search operations for the Bavaria,
- * conducting recovery and identification operations on two or more sites within the Bavaria search area that have been arrested,
- * completing the search phase of the Republic Project and,
- * investigating exhibit and attraction opportunities.

With the exception of the completion of the Bavaria search operations, the entire plan is subject to our ability to obtain the required vessels, equipment, personnel and financing for each component part of the plan.

We have revenue sharing obligations associated with each project, which reduces our share of any potential revenue from these projects. Refer to our Form 10K-SB for the year ended February 28, 2003 for a description of these arrangements.

Sussex Project

The process for appointment and approval of Odyssey's archaeological team for the Sussex project has taken longer than expected, nevertheless, we intend to commence the preliminary archaeological survey in late summer or early fall 2003. Once the archaeological staffing is completed and the financing, equipment, vessels, personnel and financing can be obtained; we intend to

10

begin recovery operations shortly after the preliminary survey is completed. The budget for the Sussex recovery and conservation is approximately \$3 million. If the recovery is highly successful, this amount may increase to approximately \$4.5 million or more as a result of additional conservation, documentation, curation and security expenses that may need to be incurred.

Bavaria Project

During the past quarter, we continued search and identification operations on the Bavaria Project. We believe the search operations will be concluded in late July or early August. We have already located the wreckage of one shipwreck, which has many of the characteristics of the Bavaria, although it has not been confirmed as the target. We filed an arrest on this shipwreck in the United States District Court for the Middle District of Florida on July 10, 2003. Arresting the wreck site is a legal process whereby we seek to

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

obtain priority salvage or finder status and sole and exclusive possession of the shipwreck and cargo. In order to further identify this shipwreck, we intend to mobilize a larger vessel and a work class ROV system. We are currently attempting to source the vessel, equipment, personnel and financing to begin this operation during the summer or early fall of this year. Our budget for identification and recovery is approximately \$1 to \$1.5 million. We believe that it will be possible to perform this operation concurrently with the Sussex preliminary survey, although we intend to plan both operations in a manner that is most cost-effective in terms of mobilizing ships and equipment. This could lead to the operations being performed consecutively.

Either one of these two operations could be performed through the winter months, although weather factors increase costs for operations once winter begins.

We also located, identified and have arrested a second site known as Site BA02. Site BA02 is an unidentified shipwreck that contains a large quantity of Chinese and English pottery including well-preserved and interesting blue and white Chinese export porcelain dating from between the late 1700's and early 1800's. We believe this site is not the "Bavaria", although the site has potential archaeological and economic value.

Republic Project

We are planning to recommence the search operations for the Republic Project during the late summer or early fall of 2003 when the weather at the search area is more conducive for offshore operations. The budget to complete the Republic Project search is approximately \$350,000. If the shipwreck is located, the budget for recovery and conservation is expected to be between \$1 million and \$2 million.

This project is planned to run concurrently with other operations, and the ship, side scan sonar system and crewmembers have already been identified. This project's location in the Pacific Ocean requires that it be performed in a relatively narrow weather window between August and October.

Revenue

During the three-month period ending May 31, 2003, we realized revenue from survey services conducted for an unrelated third party utilizing the R/V Odyssey and personnel in the amount of \$45,200. We also had revenue from the sale of advance book publishing rights in the amount of \$14,167.

11

Liquidity and Capital Resources

As of May 31, 2003, we had working capital of \$165,011 as indicated by current assets exceeding current liabilities, and will need to raise additional capital to fund our operations during the next twelve months. We plan to sell equity, project specific revenue participation, sponsorships or debt to meet our capital needs. However, there can be no assurance that we will be able to raise sufficient capital to fund our plan of operation.

ITEM 3. Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures within 90 days of the filing date of this quarterly report, and, based upon their evaluation, our principal executive officer and

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

principal financial officer have concluded that these controls and procedures are effective. There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

Disclosure controls and procedures are our controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings.

None.

ITEM 2. Changes in Securities.

During the three months ending May 31, 2003, four consultants were issued a total of 58,135 shares of common stock for services valued at \$33,700, and an additional 6,635 shares for an account payable valued at \$5,000 and 7,500 shares for prepaid expense of \$4,200. Also, a note holder elected to convert principal in the amount of \$54,000 into 108,000 shares of common stock.

The shares were issued pursuant to the exemption provided by Section 4(2) of the Securities Act of 1933. The individuals were provided with information regarding the Company and their investment, and the Company believes that the individuals had knowledge and experience in financial and business matters such that they were capable of evaluating the merits and risks of the investment. The certificates representing the shares bear an appropriate legend restricting the transfer of such shares.

12

During March 2003, common stock was issued to Michael Barton, David Morris and George Becker, officers of the Company. Each was awarded 14,000 shares of common stock valued at \$7,700. George Knutsson, a Director, also received 50,000 shares of common stock for services valued at \$27,500.

The shares were issued pursuant to the exemption provided by Section 4(2) of the Securities Act of 1933. The individuals were provided with information regarding the Company and their investment, and the Company believes that the individuals had knowledge and experience in financial and business matters such that they were capable of evaluating the merits and risks of the investment. The certificates representing the shares bear an appropriate legend restricting the transfer of such shares.

During the quarter ended May 31, 2003, the Company received subscriptions from ten accredited investors for \$978,750 of Convertible Notes that are to be fully funded through July 2003. As of May 31, 2003, the Company had received \$660,250. The Notes become due one year from the date of issuance, bear interest at 8% per annum and are convertible along with any unpaid interest into common stock at \$1.25 per share. If the Notes are converted the note

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

holder will also receive a warrant to purchase one share of common stock at a price of \$2.50 per share for each \$1.25 of principal and interest so converted.

The securities were sold pursuant to the exemption provided by Rule 506 of Regulation D under the Securities Act of 1933. The Company filed a Form D with the SEC concerning this offering. The investors were provided with information regarding the Company and their investment, and the Company believes that such persons had knowledge and experience in financial and business matters such that they were capable of evaluating the merits and risks of the investment. The certificates representing the securities bear an appropriate legend restricting the transfer of such securities.

ITEM 3. Defaults Upon Senior Securities. None.

ITEM 4. Submission of Matters to a Vote of Security Holders. None.

ITEM 5. Other Information. None.

ITEM 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

99.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350 Filed herewith electronically

99.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350 Filed herewith electronically

(b) Reports on Form 8-K. None.

13

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ODYSSEY MARINE EXPLORATION, INC.

Date: July 15, 2003

By: /s/ Michael V. Barton
Michael V. Barton, Chief Financial Officer
and Authorized Officer

CERTIFICATIONS

I, John C. Morris, certify that:

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

1. I have reviewed this quarterly Form 10-QSB of Odyssey Marine Exploration, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

14

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: July 15, 2003

/s/ John C. Morris
John C. Morris

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

President
(Principal Executive Officer)

I, Michael V. Barton, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Odyssey Marine Exploration, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

15

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Edgar Filing: ODYSSEY MARINE EXPLORATION INC - Form 10QSB

Dated: July 15, 2003

/s/ Michael V. Barton
Michael V. Barton
Chief Financial Officer
(Principal Financial Officer)