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ODYSSEY MARINE EXPLORATION INC

Form 424B3

October 07, 2003

Filed Pursuant to Rule 424(b)(3)  
Registration Statement No. 333-109142

PROSPECTUS  
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ODYSSEY MARINE EXPLORATION, INC.

16,919,563 Shares of Common Stock

Certain selling shareholders are offering the shares of common stock.

The common stock is traded in the over-the-counter market and is quoted on the OTC Bulletin Board (Symbol: OMEX). On October 6, 2003, the closing price of the common stock was \$3.80.

This investment involves a high degree of risk. You should purchase shares only if you can afford a complete loss. See "Risk Factors" beginning on page 4.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

October 6, 2003

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COMPANY SUMMARY

Odyssey is engaged in the business of conducting archaeologically sensitive recoveries of cargo and artifacts from various shipwrecks. We plan to produce revenue by exhibiting the artifacts and selling merchandise consisting of certain cargoes, replicas of the artifacts and general merchandise relating to the specific shipwrecks or the shipwreck business in general. In addition, we plan to produce revenue in the form of project sponsorships, the sale of intellectual property rights and the operation of one or more themed attractions and traveling exhibits.

Our corporate offices are located at 3604 West Swann Avenue, Tampa, Florida 33609. Our telephone number is (813) 876-1776.

RISK FACTORS

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Investing in the shares is very risky. You should be able to bear a complete loss of your investment. In deciding whether to purchase the shares, you should carefully consider the following factors, among others, as well as information contained in this prospectus, our most recent annual report on Form 10-KSB and quarterly report on Form 10-QSB, which are attached to this Prospectus, and the other documents incorporated by reference into this Prospectus:

### OUR BUSINESS INVOLVES A HIGH LEVEL OF RISK.

An investment in Odyssey is extremely speculative and of exceptionally high risk. Although we have access to a substantial amount of research and data which has been compiled regarding various projects, the quality and reliability of such research and data is unknown. Even if we are able to plan and obtain permits for our various projects, there is a possibility that the shipwrecks may have already been salvaged, or may not have had anything valuable on board at the time of the sinking. Even if objects of value are located and recovered, there is the possibility that others, including both private parties and governmental entities, asserting conflicting claims, will challenge our rights to the recovered objects. Finally, even if we are successful in locating and retrieving objects from a shipwreck and establishing good title to them, there can be no assurance as to the value that such objects will bring at their sale, as the market for such objects is very uncertain.

### WE HAVE EXPERIENCED SUBSTANTIAL LOSSES.

We have recorded substantial losses from our operations, and as of May 31, 2003, we had an accumulated deficit of approximately \$10.6 million. We may not be able to become profitable in the future.

### THE RESEARCH AND DATA WE USE MAY NOT BE RELIABLE.

The success of a shipwreck project is dependent to a substantial degree upon the research and data we have obtained. By its very nature, research and data regarding shipwrecks is imprecise, incomplete and unreliable. It is often composed of or affected by numerous assumptions, rumors, legends, historical and scientific inaccuracies and inaccurate interpretations which have become a part of such research and data over time.

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### WE WILL DEPEND ON OTHER COMPANIES TO LOCATE AND RECOVER SHIPWRECKS.

Odyssey currently owns two vessels as well as certain search equipment, including side scan sonar, navigation equipment and an ROV. It may be necessary to contract with third parties for any additional equipment and/or labor necessary for the location and recovery of wrecksites. There can be no assurance that financing or third party contracts will be available to us. The availability of specialized recovery equipment may present a problem, and the cost of obtaining the use of such equipment to conduct recovery operations is uncertain and will depend on, in part, the location and condition of the wreckage to be recovered.

### RECOVERY EFFORTS MAY BE AFFECTED BY NATURAL HAZARDS.

Underwater recovery operations are inherently difficult and dangerous and may be delayed or suspended by weather, sea conditions or other natural hazards. Further, such operations may be undertaken more safely during

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certain months of the year than others. There can be no assurances that we, or the entities we are affiliated with, will be able to conduct search and recovery operations only during favorable periods. In addition, even though sea conditions in a particular search location may be somewhat predictable, the possibility exists that unexpected conditions may occur and adversely affect the Company's operations. It is also possible that natural hazards may prevent or significantly delay search and recovery operations.

WE MAY BE UNABLE TO ESTABLISH OUR RIGHTS TO ANY OBJECTS WE RECOVER.

Persons and entities other than Odyssey and entities we are affiliated with (both private and governmental) may claim title to the shipwrecks. Even if we are successful in locating and recovering shipwrecks, there is no assurance that we will be able to establish our right to property recovered against governmental entities, prior owners, or other attempted salvors claiming an interest therein. In such an event, we could spend a great deal of money and receive no revenues for our work.

THE MARKET FOR ANY OBJECTS WE RECOVER IS UNCERTAIN.

Even if valuable items can be located and recovered, it is difficult to predict the price that might be realized for such items. The value of recovered items will fluctuate with the precious metals market, which has been highly volatile in recent years. In addition, the entrance on the market of a large supply of similar items from shipwrecks located and recovered by others could depress the market for these items.

WE COULD EXPERIENCE DELAYS IN THE DISPOSITION OR SALE OF RECOVERED OBJECTS.

The methods and channels, which may be used in the disposition or sale of recovered items, are uncertain at present and may include several alternatives. Ready access to buyers for any artifacts or other valuable items recovered cannot be assured. Delays in the disposition of such items could adversely affect our cash flow.

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OBJECTS WE RECOVER COULD BE STOLEN FROM US.

If we locate a shipwreck and assert a valid claim to items of value, there is a risk of theft of such items at sea, both before and after their recovery, by "pirates" or poachers and while in transit to a safe destination. Such thefts may not be adequately covered by insurance.

WE FACE COMPETITION FROM OTHERS.

There are a number of competing entities engaged in various aspects of the shipwreck business. One or more of these competing entities may locate and recover a shipwreck that we intend to locate and recover. In addition, these competing entities may be better capitalized and may have greater resources to devote to their pursuit of the shipwreck.

WE MAY BE UNABLE TO GET PERMISSION TO CONDUCT SALVAGE OPERATIONS.

It is possible that we will not be successful in obtaining title to, or permission to excavate certain wrecks. In addition, permits that are sought for the projects may never be issued, and if issued, may not be legal or honored by the entities that issued them.

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WE NEED ADDITIONAL CAPITAL FOR OUR OPERATIONS.

Until Odyssey begins to generate revenue from the sale of recovered items, we may need additional capital in order to continue the search, recovery and marketing phases of our projects. We may not be able to raise additional capital on acceptable terms.

THERE IS ONLY A LIMITED PUBLIC MARKET FOR OUR SHARES.

Although there is a limited market for our common stock, there can be no assurance that such a market can be sustained. The investment community could show little or no interest in Odyssey in the future. As a result, purchasers of the shares may have difficulty in selling such shares should they desire to do so. Our common stock currently trades on the OTC Bulletin Board.

TRADING IN OUR SHARES MAY BE LIMITED BY THE "PENNY-STOCK" RULES.

Our shares may be subject to a rule that imposes additional sales practice requirements on brokers who sell such shares to persons other than established customers (as defined in the rule) and accredited investors (generally, institutions and, for individuals, an investor with assets in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 together with such investor's spouse). For transactions covered by this rule, the broker must make a special suitability determination for the purchaser and must have received the purchaser's written consent to the transaction prior to the purchase. Consequently, many brokers may be unwilling to engage in transactions in our shares because of the added disclosure requirements. This would make it more difficult for shareholders to resell common stock in the market.

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OUR ARTICLES OF INCORPORATION AUTHORIZE GENERIC PREFERRED STOCK.

Our articles of incorporation authorize the issuance of up to 10,000,000 shares of preferred stock. The Board of Directors has the right to establish the terms, preference, rights and restrictions of the preferred stock. Such preferred stock could be issued with terms, rights, preferences and restrictions that could discourage other persons from attempting to acquire control and thereby insulate incumbent management. In certain circumstances, the existence of corporate devices that would inhibit or discourage takeover attempts could have a negative effect on the market value of our common stock.

### COMPANY INFORMATION

This Prospectus is accompanied by a copy of our Annual Report on Form 10-KSB for our fiscal year ended February 28, 2003, and our Quarterly Report on Form 10-QSB for the quarter ended May 31, 2003, which reports are incorporated by reference into this Prospectus in their entirety.

### USE OF PROCEEDS

Odyssey will not receive any proceeds from the sale of the common stock by the selling shareholders.

To the extent that any of the warrants held by the selling shareholders are exercised, up to approximately \$17,946,000 may be received by Odyssey. Any net proceeds received from the exercise of the warrants will be used for general corporate purposes.

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### RECENT MATERIAL CHANGES IN OUR BUSINESS

There have been no material changes in our business since February 28, 2003, that have not been reported in our Reports on Form 10-QSB, except as follows:

On June 18, 2003, we announced that we had reached an agreement for exclusive documentary television coverage of the upcoming HMS Sussex expedition with National Geographic Television and Film. National Geographic is planning a two-hour nationally televised event.

On August 6, 2003, we announced that we had completed a private placement of securities with gross proceeds of approximately \$5 million. The offering involved the sale of units, each unit consisting of 100,000 shares of common stock and warrants to purchase an additional 100,000 shares of common stock at \$2.50 per share. The offering price was \$125,000 per unit.

On August 8, 2003, a wholly owned subsidiary of Odyssey purchased the Motor Vessel Northern Prince from J-Marr Ltd. of Hull, England for \$1,200,000 in cash. The cash used in this transaction was from the proceeds of the Company's private offering of common stock and warrants which was completed in early August 2003.

The 251-foot Class II dynamically positioned survey and support vessel will be renamed "Odyssey Explorer." The ship is built to Ice Class 3 standards for operations in extreme latitudes and is capable of carrying fuel and stores for missions of up to 60 days. She has comfortable accommodations for 42 persons, extensive onboard storage space and her multiple cranes and large A-frame provide exceptional equipment handling capability. The vessel has just completed a dry-dock inspection and is fully certified to Lloyds

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+100A1 specifications. The vessel was previously used for diving support and the operation of remotely operated vehicles in the oil and gas industry.

We are in the process of adding advanced technology and equipment to the ship, which will enable the Odyssey Explorer to complete deep ocean archaeological excavation and survey work. We expect to have the vessel ready for operations in September 2003.

On August 6, 2003, we purchased a work class Remotely Operated Vehicle ("ROV") from Tyco Telecommunications (US) Inc. to be used for archaeological shipwreck excavation for \$700,000 in cash. The cash used was also from the proceeds of the recent private offering of securities.

The ROV is three years old and was built by Soil Machine Dynamics of Newcastle, England, one of the world's leading manufacturers of state-of-the-art deep robotic systems. The 7-ton, 205 horsepower vehicle will be nicknamed ZEUS and mobilized on the Odyssey Explorer.

ZEUS is rated to operate at depths up to 2,500-meters (8,200 feet). The ROV has two, Schilling seven function Conan Force-Feedback manipulators, which provide for exceptional dexterity and fine control required for delicate archaeological procedures. The nine-foot high vehicle is 10 feet wide by 10 feet long and driven by eight powerful hydraulic thrusters.

The system's cameras feed high-resolution video signals through advanced fiberoptic telemetry to the surface. ZEUS was originally designed for

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advanced deep ocean fiber optic cable maintenance operations and is perfectly suited for the rigors and precise handling required for delicate shipwreck excavation.

On August 11, 2003, we announced that we had engaged Gifford and Partners, Ltd. of Southampton, England as a consultant in connection with the archaeological excavation of the HMS Sussex. Gifford and Partners is a long established engineering and archaeological consulting firm with over 400 employees in the United Kingdom.

On August 18, 2003, we announced that we believe we have located the SS Republic, the target shipwreck of the project we code-named "Bavaria." The SS Republic was a sidewheel steamer that was lost in deep water in 1865 after battling a hurricane for two days. All the crew and passengers made it safely off the vessel, although a number of passengers eventually died on one of the rafts before they could be rescued. The ship was reportedly carrying \$400,000 in specie to New Orleans.

We are currently preparing to begin excavation of the site. Operations are planned to begin in late September/early October 2003 utilizing the Odyssey Explorer, our 251 foot Class I dynamically positioned ship and ZEUS, our seven ton, 205 horsepower remotely operated vehicle (ROV).

On August 21, 2003, we accepted conversion notices from all of the note holders of one year convertible notes aggregating \$978,750. The notes were converted into 870,000 shares of common stock and warrants to purchase 870,000 shares of common stock at \$2.50 per share.

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### SELLING SHAREHOLDERS

The securities being offered hereby are 16,919,563 shares being offered for resale by certain shareholders. Of those shares, the selling shareholders currently hold 9,741,263. Up to 7,178,300 shares are issuable upon exercise of warrants held by the selling shareholders. The shares are being offered for the account of shareholders in the table below and their donees or pledgees.

The following table sets forth information concerning the selling shareholders, including:

- \* the maximum number of shares currently held to be offered;
- \* the number of shares issuable upon exercise of warrants;
- \* the number of shares offered by each selling shareholder.

Odyssey has no knowledge of the intentions of any selling shareholder to actually sell any of the securities listed under the columns "Shares Offered." There are no material relationships between any of the selling shareholders and Odyssey other than as disclosed below.

|                     | Ownership Before Offering                                 |                                                       |                   |
|---------------------|-----------------------------------------------------------|-------------------------------------------------------|-------------------|
|                     | Number of<br>Shares<br>Currently<br>Held to be<br>Offered | Shares<br>Issuable<br>on Exer-<br>cise of<br>Warrants | Shares<br>Offered |
| Selling Shareholder |                                                           |                                                       |                   |

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|                                 |         |         |         |
|---------------------------------|---------|---------|---------|
| -----                           | -----   | -----   | -----   |
| Glen C. Angstadt                | 50,000  | 50,000  | 100,000 |
| Daniel S. Bagley                | 25,000  | 25,000  | 50,000  |
| Bannon Private Equity Fund Ltd. | 200,000 | 200,000 | 400,000 |
| Michael V. Barton (1)           | 10,000  | 10,000  | 20,000  |
| BBACA, Ltd.                     | 10,000  | 10,000  | 20,000  |
| Robert R. Bears, Jr.            | 180,000 | 180,000 | 360,000 |
| Robert R. Bears, Sr.            | 180,000 | 180,000 | 360,000 |
| George J. Becker, Jr. (2)       | 10,000  | 10,000  | 20,000  |
| Bellestar Investments Corp.     | 16,000  | 16,000  | 32,000  |
| Bison Investments               | 120,000 | 120,000 | 240,000 |
| Christina Blanchard POD         |         |         |         |
| Paul M. Blanchard               | 12,000  | 12,000  | 24,000  |
| Lyle C. Blanden                 | 40,000  | 40,000  | 80,000  |
| Bleu Ridge Consultants, Inc.    | -       | 10,000  | 10,000  |
| Bleu Ridge Consultants, Inc.,   |         |         |         |
| Profit Sharing Plan & Trust     | 100,000 | 100,000 | 200,000 |
| Jan Boltres                     | -       | 20,000  | 20,000  |
| Thomas Boltres and Arnoldine R. |         |         |         |
| Boltres                         | 20,000  | 20,000  | 40,000  |
| Brandar Group Ltd Partnership   | 12,500  | 12,500  | 25,000  |
| Canyon Group LLC                | 135,000 | 135,000 | 270,000 |
| Charitable Remainder Trust of   |         |         |         |
| Mary Jane Brasel                | 20,100  | 55,100  | 75,200  |

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|                                     |         |         |         |
|-------------------------------------|---------|---------|---------|
| Charitable Remainder Trust of       |         |         |         |
| Susan Anne Brasel                   | 20,100  | 55,100  | 75,200  |
| Charitable Remainder Trust of       |         |         |         |
| Timothy J. Brasel                   | 69,800  | 69,800  | 139,600 |
| Theodore W. and Gina M. Cannarozzi  | 120,000 | 120,000 | 240,000 |
| Charles W. Ciolino, Jr.             | 40,000  | -       | 40,000  |
| Charles W. and Jenny M. Ciolino     | 100,000 | 100,000 | 200,000 |
| Christopher & Company Ltd.          | 50,000  | 50,000  | 100,000 |
| COMEX, SA (3)                       | 40,000  | 40,000  | 80,000  |
| E. Eugene Cooke                     | 20,000  | 20,000  | 40,000  |
| James E. Cooke                      | 60,000  | -       | 60,000  |
| Mark P. Cooke                       | 100,000 | 100,000 | 200,000 |
| Christopher R. Cope                 | 50,000  | 50,000  | 100,000 |
| Christopher R. Cope & Kathryn D.    |         |         |         |
| Cope, JTWROS                        | 50,000  | 50,000  | 100,000 |
| Mid-Ohio Securities Corp.,          |         |         |         |
| Custodian FBO Walter C. Copeland    |         |         |         |
| IRA 002075                          | 20,000  | 20,000  | 40,000  |
| Walter C. Copeland                  | 12,500  | 12,500  | 25,000  |
| Robert A. Craig                     | 15,000  | -       | 15,000  |
| Crestview Capital Fund II LP        | 200,000 | 200,000 | 400,000 |
| Community National Bank, Cust FBO   |         |         |         |
| Michael L. Crifasi, IRA #332593     | 20,000  | 20,000  | 40,000  |
| Michael L. Crifasi                  | 50,000  | 50,000  | 100,000 |
| Curtis J. Dashiell and Connie R.    |         |         |         |
| Tanner-Dashiell, JTWROS             | 25,000  | 25,000  | 50,000  |
| Blythe W. Ebbert, TTEE Blythe W.    |         |         |         |
| Ebbert Revocable Trust              | 8,333   | 8,333   | 16,666  |
| Eric R. Ebbert, TTEE Eric R. Ebbert |         |         |         |
| Revocable Trust                     | 8,333   | 8,333   | 16,666  |
| Eckerd College                      | 100,000 | -       | 100,000 |
| Hugh N. Farrior                     | 80,000  | 80,000  | 160,000 |
| James L. Ferman, Jr.                | 340,000 | 340,000 | 680,000 |
| Neal J. Fink, Co-Trustee            |         |         |         |

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|                                                                                 |         |         |         |
|---------------------------------------------------------------------------------|---------|---------|---------|
| of Adele S. Fink Trust No. 2                                                    | 20,000  | 20,000  | 40,000  |
| Neal J. Fink and Kenneth N. Fink,<br>Co-Trustee of Adele S. Fink<br>Trust No. 2 | 25,000  | 25,000  | 50,000  |
| Neal J. Fink, IRA                                                               | 40,000  | 40,000  | 80,000  |
| UBF Financial Services, Inc. f/b/o<br>Neal J. Fink IRA                          | 75,000  | 75,000  | 150,000 |
| Delaware Charter FBO<br>Joseph D. Freedman IRA                                  | 100,000 | 100,000 | 200,000 |
| Jay M. Garner                                                                   | 19,202  | 20,000  | 39,202  |
| Jay M. Garner and M. Connie Garner                                              | 798     | 0       | 798     |
| Justin Gasarch                                                                  | 60,000  | 60,000  | 120,000 |
| Richard M. Gawlick & Linda J. Gawlick                                           | 25,000  | 25,000  | 50,000  |
| Christopher Hall                                                                | -       | 20,000  | 20,000  |
| Daryl S. Hersch, IRA                                                            | 40,000  | 40,000  | 80,000  |
| A. Teresa Hirsch                                                                | 25,000  | 25,000  | 50,000  |
| J. L. Holdings                                                                  | 400,000 | 400,000 | 800,000 |
| Leonard H. Johnson                                                              | 8,000   | 8,000   | 16,000  |
| Eric J. Jolly                                                                   | 20,000  | 20,000  | 40,000  |
| JYT Enterprises, Inc.                                                           | 25,000  | 25,000  | 50,000  |
| Kagin's Inc.                                                                    | 20,000  | 20,000  | 40,000  |
| Don Kagin                                                                       | 50,000  | 50,000  | 100,000 |
| George E. Lackman, Jr., IRA(4)                                                  | 100,000 | 100,000 | 200,000 |
| LLB Communications, Inc. (5)                                                    | 30,000  | -       | 30,000  |

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|                                                                           |           |         |           |
|---------------------------------------------------------------------------|-----------|---------|-----------|
| Donald M. Lionetti                                                        | 10,000    | 10,000  | 20,000    |
| Patricia C. Loughery                                                      | 80,000    | 80,000  | 160,000   |
| William A. Loughery                                                       | 20,000    | 20,000  | 40,000    |
| Lowe Family Limited Partnership                                           | 200,000   | 200,000 | 400,000   |
| Eugene Lundgren                                                           | 20,000    | 20,000  | 40,000    |
| MacDougald Family Limited<br>Partnership (6)                              | 2,000,000 | -       | 2,000,000 |
| Mackerel Capital Ltd.                                                     | 200,000   | 200,000 | 400,000   |
| Margaret M. McElroy                                                       | 100,000   | 100,000 | 200,000   |
| Ronald J. Morrick and Enolia Ann<br>Morrick, Tenants by the<br>Entireties | 80,000    | 80,000  | 160,000   |
| John C. Morris (7)                                                        | 120,000   | -       | 120,000   |
| Nelda D. Norbom Revocable Trust<br>dated 4/25/00                          | 60,000    | 60,000  | 120,000   |
| Robert E. Nussear, Sr.                                                    | 40,000    | 40,000  | 80,000    |
| Jack S. Painter                                                           | 39,963    | 10,000  | 49,963    |
| Richard A. Pawliger                                                       | 80,000    | 80,000  | 160,000   |
| J.J. Peirce                                                               | 50,000    | 50,000  | 100,000   |
| Delaware Charter TTEE Joseph J.<br>Peirce Std IRA                         | 50,000    | 50,000  | 100,000   |
| J.J. Peirce, IRA                                                          | 50,000    | 50,000  | 100,000   |
| Howard M. Pritchard                                                       | 200,000   | 200,000 | 400,000   |
| Howard M. Pritchard, IRA                                                  | 200,000   | 200,000 | 400,000   |
| Ken S. Protas                                                             | 165,000   | 175,000 | 340,000   |
| Jerome Reinert                                                            | 30,000    | 30,000  | 60,000    |
| Keith Reinert                                                             | 10,000    | 10,000  | 20,000    |
| Gordon Reinert                                                            | 10,000    | 10,000  | 20,000    |
| P.N. Risser III                                                           | 0         | 40,000  | 40,000    |
| P.N. Risser III, Trustee P.N. Risser<br>III Revocable Trust               | 40,000    | 0       | 40,000    |
| Royal Griffin, Ltd                                                        | 22,000    | 22,000  | 44,000    |
| Kenneth J. Sandstrom                                                      | 120,000   | 120,000 | 240,000   |
| David and Christine Saul (8)                                              | 140,000   | 140,000 | 280,000   |

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|                                                      |         |         |         |
|------------------------------------------------------|---------|---------|---------|
| Sawyer Family Partners Ltd.                          | 100,000 | 20,000  | 120,000 |
| Jon D. Sawyer                                        | 50,000  | 50,000  | 100,000 |
| Brynne Williams Shaner                               | 8,333   | 8,333   | 16,666  |
| William W. Shaner, III                               | 8,333   | 8,333   | 16,666  |
| Steven R. Simpson                                    | 180,000 | 180,000 | 360,000 |
| Steven and Andrea Simpson                            | 240,000 | 240,000 | 480,000 |
| Clayton Sissons                                      | 100,000 | 100,000 | 200,000 |
| David E. Six and Jennifer L. Six                     | 12,500  | 12,500  | 25,000  |
| Gregory Stemm (9)                                    | 120,000 | -       | 120,000 |
| Robert Stemm                                         | 108,000 | -       | 108,000 |
| Neal A. Stubbs                                       | 40,000  | 40,000  | 80,000  |
| Ernesto Tapanes                                      | 100,000 | 100,000 | 200,000 |
| Tiara Development II, Inc.                           | 80,000  | 80,000  | 160,000 |
| David G. Tibma                                       | 50,000  | 50,000  | 100,000 |
| Roy Truman                                           | 25,000  | 25,000  | 50,000  |
| David J. Wendt                                       | 12,800  | 12,800  | 25,600  |
| WIT Ventures, Ltd.                                   | 30,000  | 40,000  | 70,000  |
| Preston A. Whaley                                    | 160,000 | 160,000 | 320,000 |
| Paul L. Whiting                                      | 100,000 | 100,000 | 200,000 |
| James K. Wiley                                       | 20,000  | 20,000  | 40,000  |
| Brooke Williams TEE, Brooke Williams Revocable Trust | 58,333  | 58,333  | 116,666 |
| Jane J. Williams Revocable Trust U/A dated 5/8/90    | 50,002  | 50,002  | 100,004 |

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|                                                       |           |           |            |
|-------------------------------------------------------|-----------|-----------|------------|
| Robert W. Baird & Co. Inc., TTEE FBO                  |           |           |            |
| Jerry L. Williams, IRA                                | 100,000   | 100,000   | 200,000    |
| Margit Besseney Williams Revocable Trust dated 7/7/95 | 8,333     | 8,333     | 16,666     |
| Carolyn A. Yokley & John H. Yokley, Jr.               | 20,000    | 20,000    | 40,000     |
|                                                       | -----     | -----     | -----      |
| Total                                                 | 9,741,263 | 7,178,300 | 16,919,563 |

- (1) Michael V. Barton is Chief Financial Officer of Odyssey.
- (2) George J. Becker, Jr. is Chief Operating Officer of Odyssey.
- (3) COMEX, SA is owned by Henri Delauze, a Director of Odyssey.
- (4) George Lackman is a Director of Odyssey
- (5) LLB Communications is a company of which Michael V. Barton is an officer
- (6) MacDougald Family Limited Partnership is a principal shareholder of Odyssey.
- (7) John Morris is Chief Executive Officer and Chairman of the Board of Directors of Odyssey
- (8) David Saul is a Director of Odyssey.
- (9) Gregory Stemm is Vice-President and a Director of Odyssey

The beneficial ownership of the selling shareholders after the offering would be zero, except for the following persons:

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| Beneficial Ownership<br>After Offering                      |                          |                         |
|-------------------------------------------------------------|--------------------------|-------------------------|
|                                                             | Number of<br>Shares Held | Percent<br>of Class (1) |
| Glen C. Angstadt                                            | 34,500                   | 0.10%                   |
| Daniel S. Bagley                                            | 10,000                   | 0.03%                   |
| Bannon Private Equity Fund                                  | 200,000                  | 0.58%                   |
| Michael V. Barton                                           | 244,615 (2)              | 0.71%                   |
| Robert R. Bears, Sr.                                        | 34,000                   | 0.10%                   |
| George J. Becker, Jr.                                       | 124,000 (3)              | 0.36%                   |
| Bellstar Investments Corp.                                  | 10,000                   | 0.03%                   |
| Christina Blanchard POD Paul M. Blanchard                   | 7,500                    | 0.02%                   |
| Lyle C. Blanden                                             | 53,112                   | 0.15%                   |
| Bleu Ridge Consultants, Inc.                                | 20,450                   | 0.06%                   |
| Bleu Ridge Consultants, Inc. Profit<br>Sharing Plan & Trust | 200,000                  | 0.58%                   |
| Jan Boltres                                                 | 10,000                   | 0.03%                   |
| Brandar Group Ltd Partnership                               | 36,000                   | 0.10%                   |
| Canyon Group LLC                                            | 700,000                  | 2.03%                   |
| Charitable Remainder Trust of Susan<br>Anne Brasel          | 45,000                   | 0.13%                   |

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|------------------------------------------------------------------------------|---------------|-------|
| Charitable Remainder Trust of Mary<br>Jane Brasel                            | 45,000        | 0.13% |
| Charitable Remainder Trust of<br>Timothy J. Brasel                           | 250,000       | 0.73% |
| Charles W. Ciolino, Jr.                                                      | 21,500        | 0.06% |
| Charles W. and Jenny M. Ciolino                                              | 56,500        | 0.16% |
| E. Eugene Cooke                                                              | 1,198,887 (4) | 3.48% |
| James E. Cooke                                                               | 301,870       | 0.88% |
| Mark P. Cooke                                                                | 162,500       | 0.47% |
| Christopher R. Cope                                                          | 70,000        | 0.20% |
| Christopher R. Cope & Kathryn D. Cope,<br>JTWROS                             | 70,000        | 0.20% |
| Mid-Ohio Securities Corp.,<br>Custodian FBO Walter C. Copeland<br>IRA 002075 | 210,000       | 0.61% |
| Walter C. Copeland                                                           | 210,000       | 0.61% |
| Community National Bank, Cust FBO<br>Michael L. Crifasi, IRA #332593         | 149,283       | 0.43% |
| Michael L. Crifasi                                                           | 283,283       | 0.82% |
| Eckerd College                                                               | 50,000        | 0.15% |
| Hugh N. Farrior                                                              | 160,000       | 0.47% |
| Neal J. Fink, Co-Trustee<br>of Adele S. Fink Trust No. 2                     | 116,776       | 0.34% |
| Neal J. Fink and Kenneth N. Fink,<br>Co-Trustee of Adele S. Fink Trust No. 2 | 116,776       | 0.34% |
| Neal J. Fink, IRA                                                            | 93,175        | 0.27% |
| UBF Financial Services, Inc. f/b/o<br>Neal J. Fink IRA                       | 200,000       | 0.58% |
| Delaware Charter FBO<br>Joseph D. Freedman IRA                               | 70,000        | 0.20% |
| Justin Gasarch                                                               | 20,000        | 0.06% |
| Richard M. Gawlick & Linda J. Gawlick                                        | 40,000        | 0.12% |

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|                                                  |                |        |
|--------------------------------------------------|----------------|--------|
| Christopher Hall                                 | 1,000          | 0.00%  |
| Daryl S. Hersch, IRA                             | 38,000         | 0.11%  |
| A. Teresa Hirsch                                 | 13,075         | 0.04%  |
| JYT Enterprises, Inc.                            | 25,000         | 0.07%  |
| Kagin's Inc.                                     | 50,000         | 0.15%  |
| George E. Lackman, Jr., IRA                      | 25,000 (5)     | 0.07%  |
| Donald M. Lionetti                               | 13,000         | 0.04%  |
| Eugene Lundgren                                  | 23,500         | 0.07%  |
| MacDougald Family Limited Partnership            | 7,294,008 (6)  | 21.06% |
| Margaret M. McElroy                              | 168,000        | 0.49%  |
| John C. Morris                                   | 1,533,729 (7)  | 4.43%  |
| Nelda D. Norbom Revocable Trust<br>dated 4/25/00 | 40,000         | 0.12%  |
| Robert E. Nussear, Sr.                           | 5,000          | 0.01%  |
| Jack S. Painter                                  | 125,000 (8)    | 0.36%  |
| Richard A. Pawliger                              | 126,867        | 0.37%  |
| Jerome Reinert                                   | 14,000         | 0.04%  |
| David and Christine Saul                         | 220,000 (9)    | 0.64%  |
| Sawyer Family Partners Ltd.                      | 87,784         | 0.26%  |
| Jon D. Sawyer                                    | 145,784        | 0.42%  |
| Steven R. Simpson                                | 167,000        | 0.49%  |
| Clayton Sissons                                  | 110,000        | 0.32%  |
| David E. Six and Jennifer L. Six                 | 48,400         | 0.14%  |
| Gregory Stemmm                                   | 1,916,741 (10) | 5.54%  |
| Robert Stemmm                                    | 259,548        | 0.75%  |
| Ernesto Tapanes                                  | 37,500         | 0.11%  |

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|                                                      |           |       |
|------------------------------------------------------|-----------|-------|
| Tiara Development II, Inc.                           | 1,050,000 | 3.05% |
| David J. Wendt                                       | 23,717    | 0.07% |
| Preston A. Whaley                                    | 3,000     | 0.01% |
| James K. Wiley                                       | 7,000     | 0.02% |
| Jane J. Williams Revocable Trust<br>U/A dated 5/8/90 | 3,000     | 0.01% |

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- (1) The percentage of ownership for each selling shareholder is based on 34,398,799 shares outstanding as of September 10, 2003.
- (2) Includes 157,115 shares held by Mr. Barton and his wife, and 87,500 shares underlying currently exercisable stock options held by Mr. Barton and his wife.
- (3) Includes 24,000 shares held directly and 100,000 shares underlying currently exercisable stock options held by Mr. Becker.
- (4) Includes 1,193,887 shares held directly and 5,000 shares underlying currently exercisable stock options held by Mr. Cooke.
- (5) Includes 250,000 shares underlying currently exercisable stock options held by Mr. Lackman.
- (6) Includes 7,064,008 shares held directly and 230,000 shares underlying currently exercisable stock options, beneficially held by MacDougald Family Limited Partnership (MFLP), MacDougald Management, Inc. (MMI), and James E. MacDougald. The limited partners of MFLP are James E. MacDougald, his wife Suzanne M. MacDougald, and two trusts created for the children and grandchildren of Mr. and Mrs. MacDougald. MMI is the general partner of MFLP.

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- (7) Includes 1,321,229 shares held directly and 212,500 shares underlying currently exercisable stock options held by Mr. Morris.
- (8) Includes 125,000 shares underlying currently exercisable stock options held by Mr. Painter.
- (9) Includes 100,000 shares held directly and 120,000 shares underlying currently exercisable options held by Mr. Saul.
- (10) Includes 486,182 shares held of record by Greg and Laurie Stemm, 1,218,059 shares held by Adanic Capital, Ltd. A limited partnership from which Greg Stemm serves as general partner, and 212,500 shares underlying currently exercisable stock options held by Mr. Stemm.  
The information concerning the selling shareholders may change from time to time and will be set forth in supplements to this prospectus.

### PLAN OF DISTRIBUTION

The selling shareholders and their successors, including their transferees, pledgees or donees of their successors, may sell the common stock directly to purchasers or through underwriters, broker-dealers or agents, who may receive compensation in the form of discounts, concessions or commissions from the selling holders or the purchasers. These discounts, concessions or commissions as to any particular underwriter, broker-dealer or agent may be in excess of those customary in the types of transactions involved.

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The common stock may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market prices, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions:

- on any national securities exchange on which the common stock may be listed, or U.S. inter-dealer system of a registered national securities association on which the common stock may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market; or
- through the writing of options, whether the options are listed on an options exchange or otherwise.

In connection with the sale of the common stock or otherwise, the selling shareholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume.

The aggregate proceeds to the selling shareholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts and commissions, if any. Each of the selling shareholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering.

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In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless they have been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

The selling shareholders and any underwriters, broker-dealers or agents that participate in the sale of the common stock may be "underwriters" within the meaning of Section 2(11) of the Securities Act. Any discounts, commissions, concessions or profit they earn on any resale of the shares may be underwriting discounts and commissions under the Securities Act. Selling shareholders who are "underwriters" within the meaning of Section 2(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act. The selling shareholders have acknowledged that they understand their obligations to comply with the provisions of the Exchange Act and the rules thereunder relating to stock manipulation, particularly Regulation M.

In addition, any securities covered by this prospectus that qualify for sale pursuant to Rule 144 of the Securities Act may be sold under Rule 144 rather than pursuant to this prospectus. A selling shareholder may not sell any common stock described in this prospectus and may not transfer, devise or gift these securities by other means not described in this prospectus.

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To the extent required, the specific common stock to be sold, the names of the selling shareholders, the respective purchase prices and public offering prices, the names of any agent, dealer or underwriter, and any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement to, if appropriate, a post-effective amendment to the registration statement of which this prospectus is a part.

The registration statement of which this prospectus is a part is being filed pursuant to registration rights that we have provided to the selling shareholders under applicable federal and state securities laws under specific circumstances and at specific times. We will pay all of the expenses incurred in connection with the registration of the common stock.

### DESCRIPTION OF SECURITIES

Odyssey has 109,810,000 authorized shares of stock, consisting of 100,000,000 shares of common stock, having a par value of \$.0001 per share, and 9,810,000 shares of preferred stock, having a par value of \$.0001 per share.

#### COMMON STOCK

As of September 10, 2003, there were 34,398,799 shares of common stock outstanding. All such outstanding shares of common stock are fully paid and non-assessable. Each share of common stock has an equal and ratable right to receive dividends when declared by the Board of Directors of Odyssey out of assets legally available for that purpose and subject to the dividend obligations of Odyssey to holders of any preferred stock then outstanding.

In the event of a liquidation, dissolution or winding up of Odyssey, the holders of common stock are entitled to share equally and ratably in the

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assets available for distribution after payment of all liabilities, and subject to any prior rights of any holders of preferred stock outstanding at that time.

The holders of common stock have no preemptive, subscription, conversion or redemption rights, and are not subject to further calls or assessments of Odyssey. Each share of common stock is entitled to one vote in the election of directors and on all other matters submitted to a vote of stockholders. Cumulative voting in the election of directors is not permitted.

### PREFERRED STOCK

Preferred stock may be issued from time to time in one or more series, and the board of directors, without further approval of the stockholders, is authorized to fix the dividend rates and terms, conversion rights, voting rights, redemption rights and terms, liquidation preferences and any other rights, preferences, privileges and restrictions applicable to each series of preferred stock. The purpose of authorizing the board of directors to determine such rights, preferences, privileges and restrictions is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, adversely affect the voting power of the holders of common stock and, under some circumstances, make it more difficult for a third party to gain control of Odyssey. There are currently no shares of preferred stock outstanding.

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### WARRANTS

This Prospectus covers the resale of common stock issuable upon the exercise of certain warrants. As part of a private placement that was completed in May 2002, Odyssey issued warrants to purchase 800,000 shares of common stock. The warrants give the holders the right to purchase shares of common stock at \$2.50 per share. These warrants are exercisable until November 21, 2003.

As part of a private placement that was completed in October 2002, Odyssey issued warrants to purchase 1,120,800 shares of common stock. The warrants give the holders the right to purchase shares of common stock at \$2.50 per share. These warrants expire on November 21, 2003.

The holder of the Series C Convertible Preferred Stock of Odyssey converted such stock into shares of Odyssey common stock in August 2003 and received warrants to purchase 400,000 shares of common stock of \$2.50 per share. These warrants will expire on November 21, 2003.

As part of a private placement, the conversion of certain notes and the issuance of shares to a consultant that were completed in August 2003, Odyssey issued warrants to purchase 4,917,500 shares of common stock. The warrants give the holders the right to purchase shares of common stock at \$2.50 per share. These warrants expire on October 6, 2005.

### LEGAL MATTERS

The legality of the shares offered hereby are being passed upon for Odyssey by Krys Boyle, P.C., 600 17th Street, Suite 2700 South, Denver, Colorado 80202. Jon D. Sawyer, a shareholder in Krys Boyle, P.C., beneficially owns 207,784 shares of Odyssey's common stock, a portion of which

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are being offered for resale by this prospectus.

### EXPERTS

The financial statements appearing in our Annual Report on Form 10-KSB for the fiscal year ended February 28, 2003, incorporated by reference in this prospectus have been audited by Ferlita, Walsh & Gonzalez, P.A., independent certified public accountants, to the extent and for the periods set forth in their report, incorporated by reference herein, and are incorporated herein in reliance upon such report given upon the authority of that firm as experts in accounting and auditing.

### WHERE YOU CAN FIND MORE INFORMATION

This prospectus is part of a registration statement on Form S-2 filed by Odyssey with the Securities and Exchange Commission under the Securities Act of 1933 (Registration No. 333-99953). We refer you to that registration statement and the exhibits thereto for further information with respect to Odyssey and the shares offered hereby.

Odyssey files annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission (Commission File No. 0-26136). These filings contain important information which does not appear in this prospectus. For further information about Odyssey, you may obtain these filings over the internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy these filings at the SEC's

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public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330, and may obtain copies of Odyssey's filings from the public reference room by calling (202) 942-8090.

The following documents filed by Odyssey with the Commission are incorporated herein by reference:

(a) Odyssey's annual report on Form 10-KSB for the fiscal year ended February 28, 2003 (SEC File No. 0-26136).

(b) Odyssey's quarterly report on Form 10-QSB for the fiscal quarter ended May 31, 2003 (SEC File No. 0-26136).

(d) Odyssey's current report on Form 8-K dated August 6, 2003 (SEC File No. 0-26136).

Odyssey will provide without charge to each person to whom this prospectus is delivered, on the written or oral request of such person, a copy of any document incorporated herein by reference, excluding exhibits. Requests should be made to Odyssey, 3604 Swann Avenue, Tampa, Florida 33609, telephone (813) 876-1776, and directed to the attention of John C. Morris, President.

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