

## EXO PROJECT BACKGROUND

The ExO Phosphate deposit is located 70-90 meters deep in the Pacific Ocean within Mexico's Exclusive Economic Zone (EEZ) and sits approximately 25-40 kilometers off the coast of Baja California Sur. It is recognized as one of the largest phosphorite deposits discovered to date, with a current resource assessment indicating 588.3 million tonnes of phosphate ore containing an average *in situ* P<sub>2</sub>O<sub>5</sub> concentration of 18.1%. The overburden measures 1.14 meters, and the ore body has a thickness of 2.80 meters.

This deposit lies within a mining concession licensed to ExO, a Mexican company and subsidiary of Oceanica Resources, which is majority-owned by Odyssey Marine Exploration.

### ExO Project Operations

In 2012, ExO was granted a 50-year mining license by Mexico (extendable for another 50 years at ExO's option) for the deposit. Odyssey made substantial investments in the ExO project, dedicating significant cash and resources towards exploration, sampling, resource assessment, engineering, marketing, processing studies, and comprehensive environmental fieldwork/assessment, spanning over three years.

Odyssey's commitment to engaging with and managing the potential impacts on local communities and sea users is central to its mission. In preparing the project work plan and exploring the license area, Odyssey and its subsidiary, ExO, made efforts to minimize interference with local coastal communities, sea users, and fishing concessions through public consultations.

The development plan included input from experts and leading environmental scientists worldwide, covering various fields such as ecotoxicology, fishing, marine biology, ecosystem management, dredging, oceanography, plume modeling, and turtle protection measures, among others. Odyssey conducted significant offshore exploration, sampling, and environmental testing and in 2014 completed an NI 43-101 compliant technical report. Odyssey's dredging partner Boskalis had significant experience with environmentally sustainable dredging, including measures to protect turtles and seabed remediation.

## Key Features of the Environmental Plan

- No chemicals would be used in the dredging process or released into the sea.
- A specialized return down pipe that exceeds international best practices to manage the return of dredged sands close to the seabed, limiting plume or impact to the water column and marine ecosystem (including primary production).
- The seabed would be restored after dredging in such a way as to promote rapid regeneration of seabed organisms in dredged areas.
- Ecotoxicology tests demonstrated that the dredging and return of sediment to the seabed would not have toxic effects on organisms.
- Sound propagation studies concluded that noise levels generated during dredging would be like whale-watching vessels, merchant ships and fisherman's ships that already regularly transit this area, proving the system is not a threat to marine mammals.
- Dredging is limited to less than one square kilometer each year, which means the project would operate in only a tiny proportion of the concession area each year.
- Proven turtle protection measures were incorporated, even though the deposit and the dredging activity are much deeper and colder than where turtles feed and live, making material harm to the species highly remote.
- There will be no material impact on local fisheries as fishermen have historically avoided the water column directly above the deposit due to the naturally low occurrence of fish there.
- The project would not be visible from the shoreline and would not impact tourism or coastal activities.
- Precautionary mitigation measures were incorporated into the development plan in line with best-practice global operational standards.