

A yellow wave energy converter buoy is shown floating on the ocean surface. The buoy has a white dome on top and a yellow frame. The text 'OPT' and 'Ocean Power Technologies' is visible on the buoy's side. The background is a vast, blue ocean under a clear sky.

MAKING WAVES IN POWER™

OPT

OCEAN POWER TECHNOLOGIES

Investor Presentation

October 2019

Forward-Looking Statements



In addition to historical information, this presentation contains forward-looking statements that are within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are identified by certain words or phrases such as "may", "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions. These forward-looking statements are based on assumptions made by management regarding future circumstances over which the company may have little or no control and involve risks, uncertainties and other factors that may cause actual results to be materially different from any future results expressed or implied by such forward-looking statements. Some of these factors include, among others, the following: future financial performance; expected cash flow; ability to reduce costs and improve operational efficiencies; revenue growth and increased sales volume; success in key markets; competition; ability to enter into relationships with partners and other third parties; delivery and deployment of PowerBuoys[®] and other products and services; increasing the power output of PowerBuoys[®]; hiring new key employees; expected costs of company products; and building customer relationships. Please refer to our most recent Forms 10-Q and 10-K and subsequent filings with the SEC for a further discussion of these risks and uncertainties. We disclaim any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this presentation.

About



Ocean Power Technologies
is a provider of distributed offshore power equipment which provides persistent, reliable and economical power and communications for remote, offshore topside and subsea applications.

OPT Markets:

Oil & Gas | Defense & Security | Science & Research | Communications



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Quick Facts

- NASDAQ: OPTT
- Market Cap: \$9.6M*
- TTM Revenue: \$800K*
- Cash, cash equivalents, & restricted cash : \$13.5M*
- Organization: Approximately 40 employees including deep engineering capabilities
- Intellectual Property: Proprietary technology with over 60 patents and several patents pending
- Headquarters: Monroe, New Jersey

• TTM and Cash as of July 31, 2019; market capitalization as of October 2019.



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Why Invest in OPT?

- OPT is the **go-to solution provider** for remote offshore power
- **First-mover advantage** with no near-term competition and a strong intellectual property portfolio
- **Fully commercialized** due to prior investments
- **Revenue acceleration** – four recent contracts
- **Stronger opportunity pipeline** than ever before
- **New products** to be deployed that capture more of our addressable market
- **Recent partnerships** connecting us deeper within our markets
- **Experienced and disciplined** management
- Focused on **environment and sustainability**

Management Team

Experienced &
Disciplined

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George H. Kirby
Chief Executive Officer



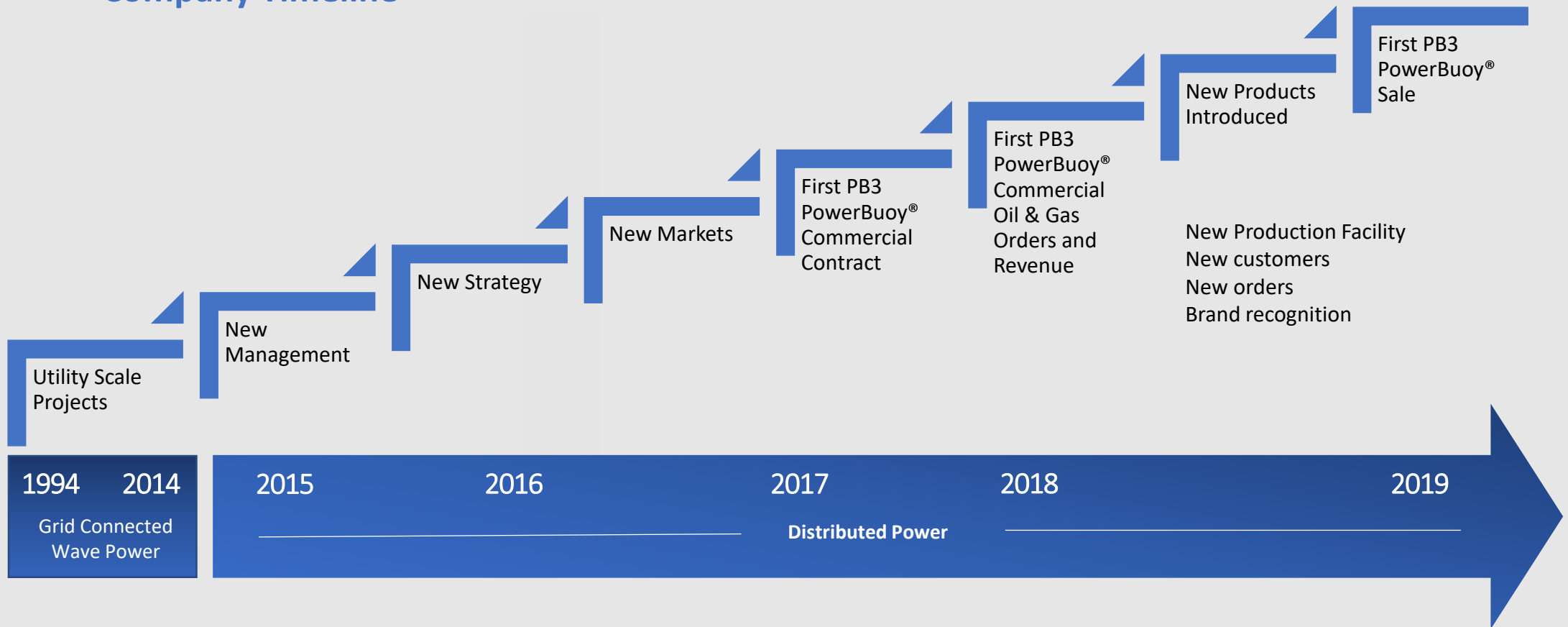
Selected Experience

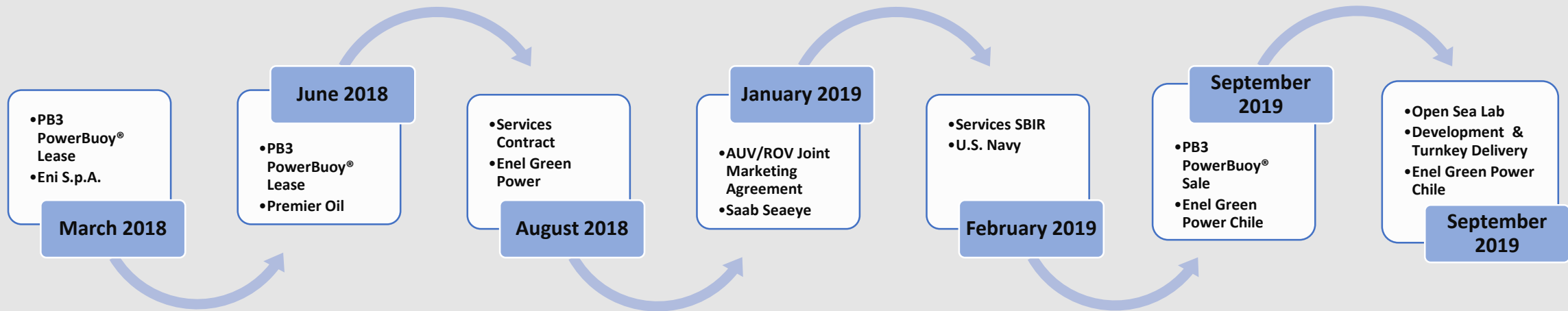
Matthew T. Shafer
Chief Financial Officer



- Sophisticated and engaged board of directors
- Energized and talented organization

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Company Timeline





Recent Commercial Highlights

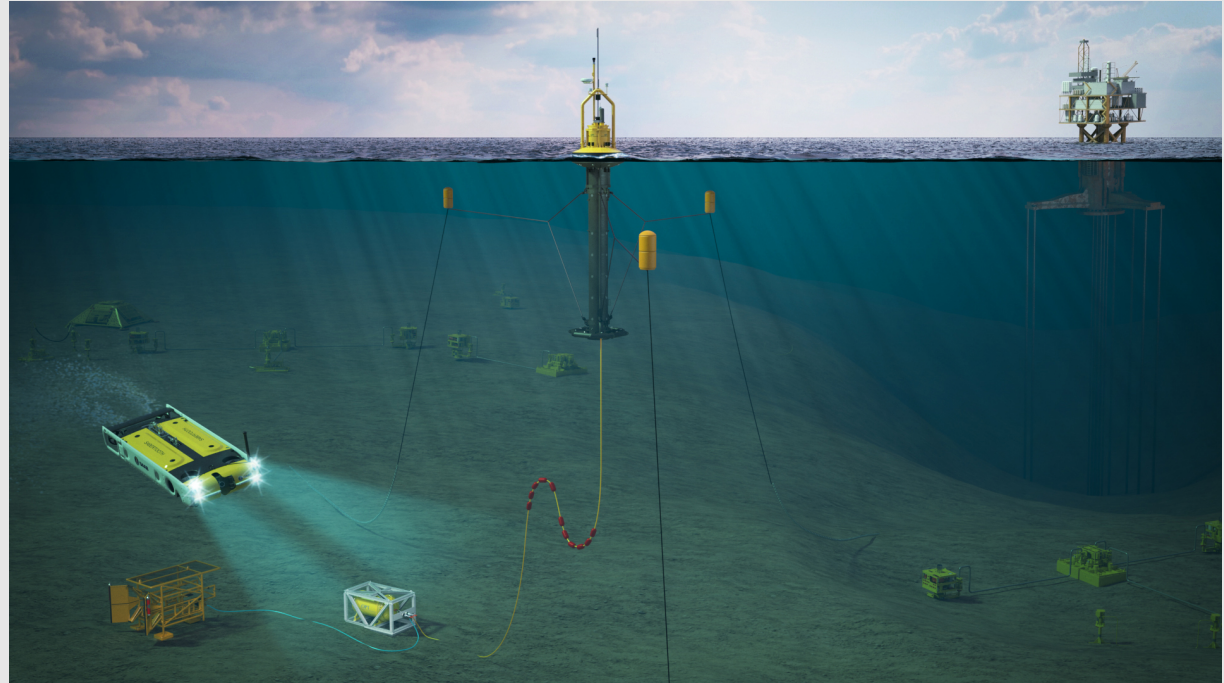
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- ✓ New product developments and new technology patent awards and filings
- ✓ Robust opportunity pipeline – \$ millions worth of contract proposals issued
- ✓ Oil & Gas customer PowerBuoy® delivery
- ✓ New collaborative and joint marketing agreements
- ✓ PowerBuoy® builds planned to address demand



Our Technology

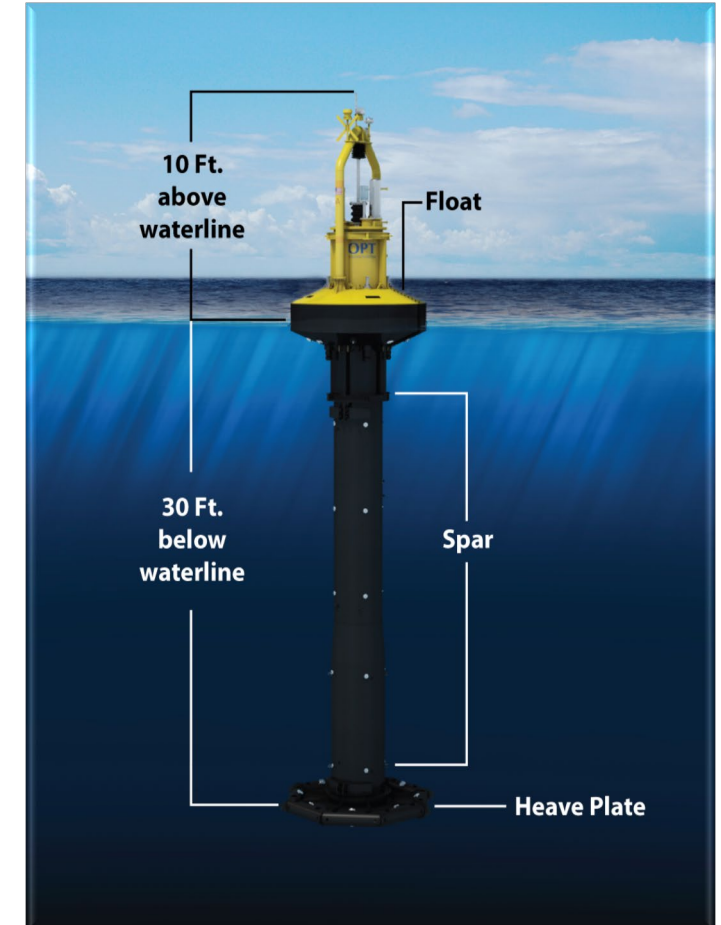
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How the OPT PB3 PowerBuoy® Technology Works

- The OPT PB3 PowerBuoy® is a moored floating mini-spar that generates power from ocean waves
- Power is generated through the relative motion of the spar and float components
 - Submerged **heave plate and spar** remain motionless in ocean waves
 - **Float** rides ocean waves, driving an **electric generator**
 - Energy is stored in **on-board batteries** which can then be used to support topsides or subsea payloads.
- A three-leg compliant mooring system controls the response of the buoy and allows it to remain on-station during storm events.
- Power and data can be transmitted to/from the seabed through an umbilical

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**PowerBuoy® Market
Value Proposition:
Cost Savings and
Operational Flexibility**



- Eliminating vessels
 - PowerBuoy® powered “unmanned station” provides persistent power and communications
- Increased safety
 - Allows remote operations from shore
- Faster operational decision-making
 - Real-time subsea data communication
- Sustainability
 - Decreased operational carbon footprint
- Further savings and flexibility
 - Powering new subsea technologies

Products & Services
Fully Commercial Today

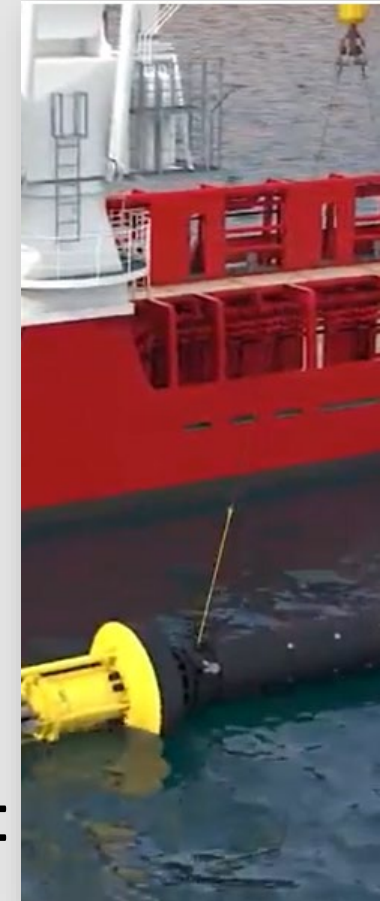
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PB3 PowerBuoy®



- Long Deployments
- Persistent Power
- Low Maintenance
- Renewable

Support Services



- Customization
- Packaged Options
- Engineering/Design
- Innovation/Testing
- Marine Services

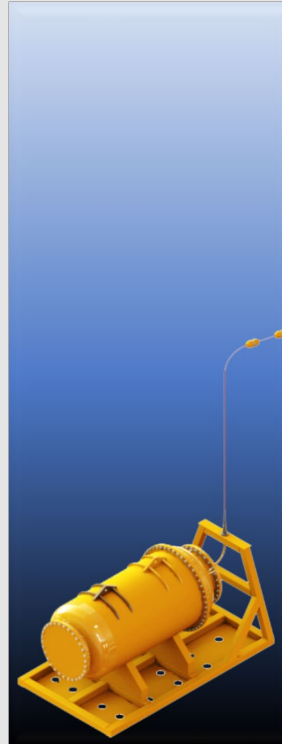
Products & Services Under Development

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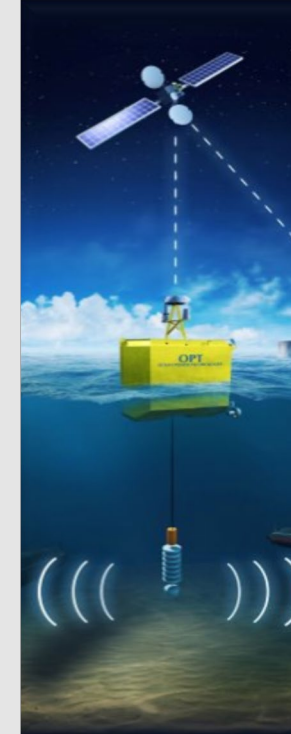
**hybrid
PowerBuoy®**

- Shorter Deployments
- High Energy Storage
- Low Maintenance
- Modular / Scalable
- **Prototype Deployment Planned for Spring 2020**



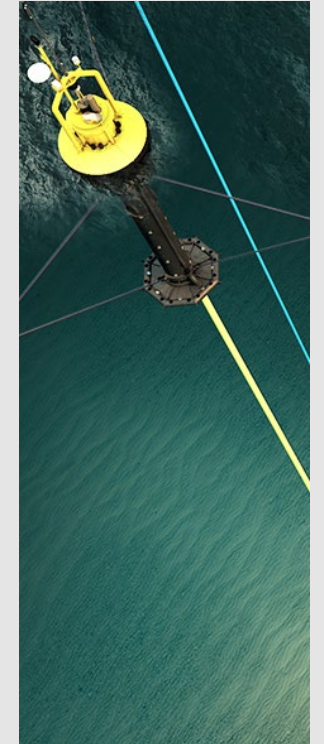
**Subsea Battery
Solutions**

- Shorter Deployments
- Low Maintenance
- Complements PowerBuoy®
- **Prototype Deployment Planned for Spring 2020**



**Anchorless
PowerBuoy®**

- Advanced Design
- Self-Propelled
- Quick Deploy
- Defense Focus



**Integrated
Mooring**

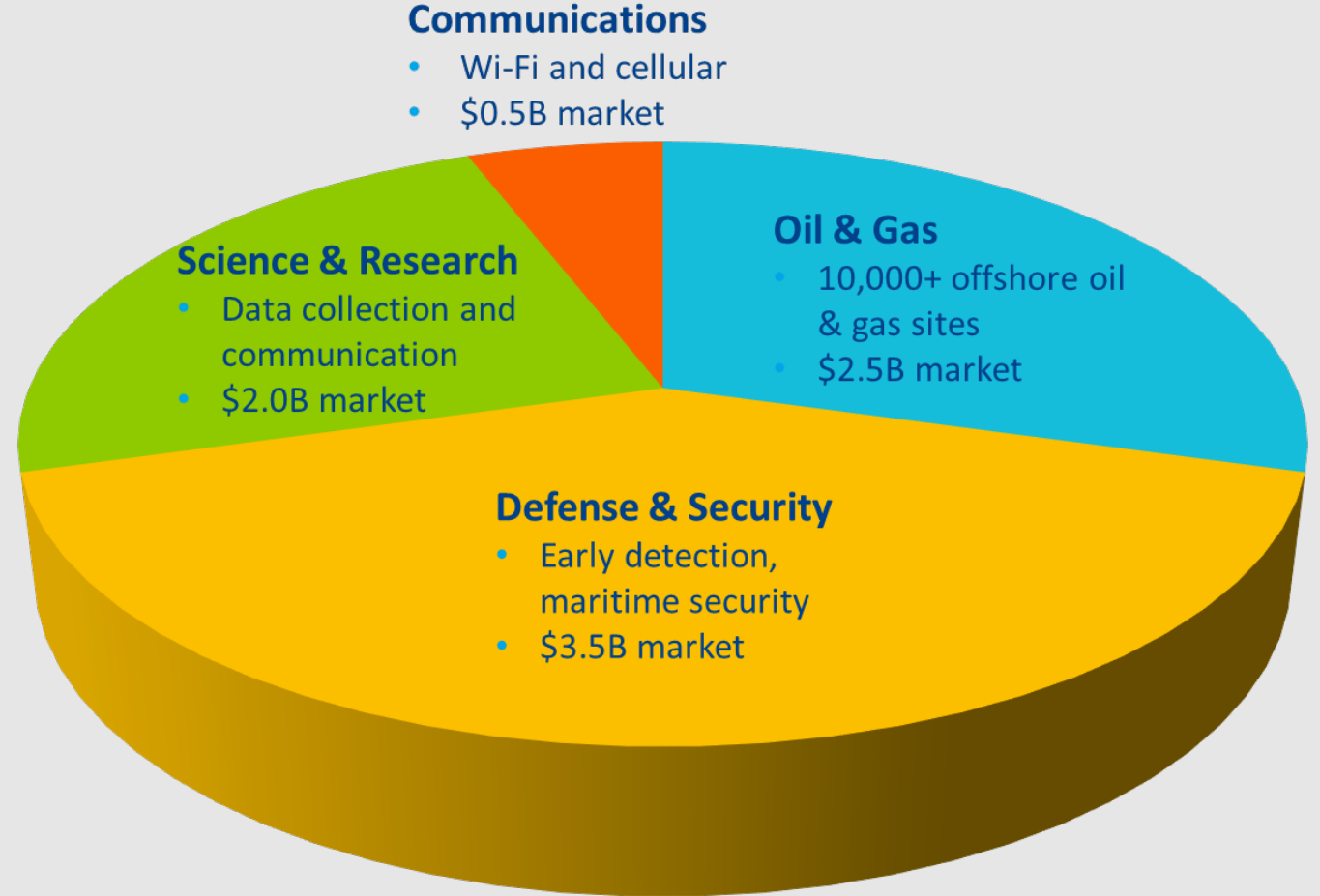
- Combined Power and Comms
- Quick installation

Our Strategy

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The Blue Economy
Our Total
Addressable Market



Targeting 10-20% displacement

Long-Term TAM > \$1.0B

*Refer to Appendix for Market Supporting Information and Sources

Offshore Oil & Gas - Example

Oilfield Decommissioning Market Segment



Offshore oil & gas production facilities to be decommissioned between 2018 to 2025*

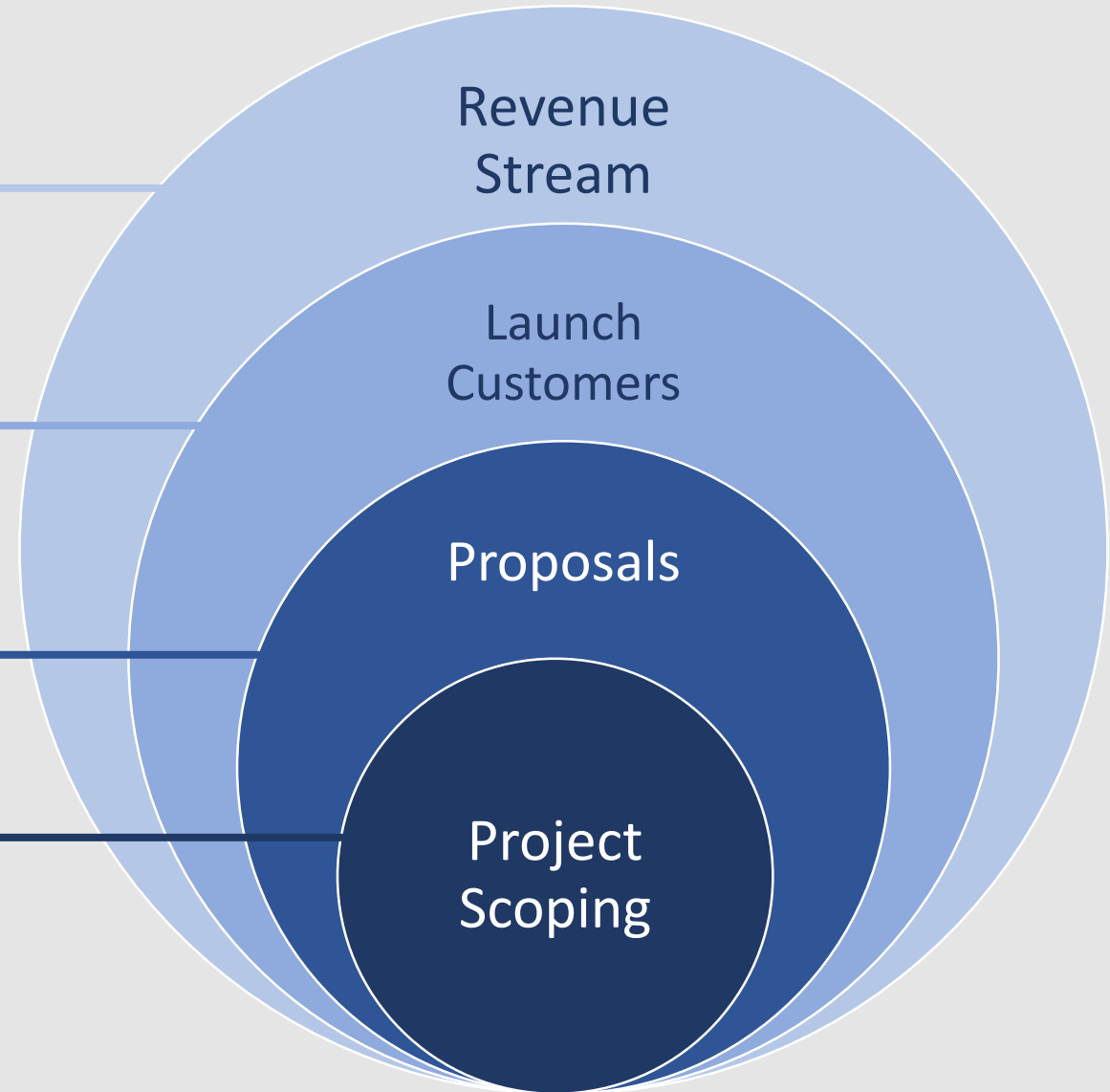
Target Market Buying Process

New/repeat customers, multiple PowerBuoy® purchases, revenue backlog generation

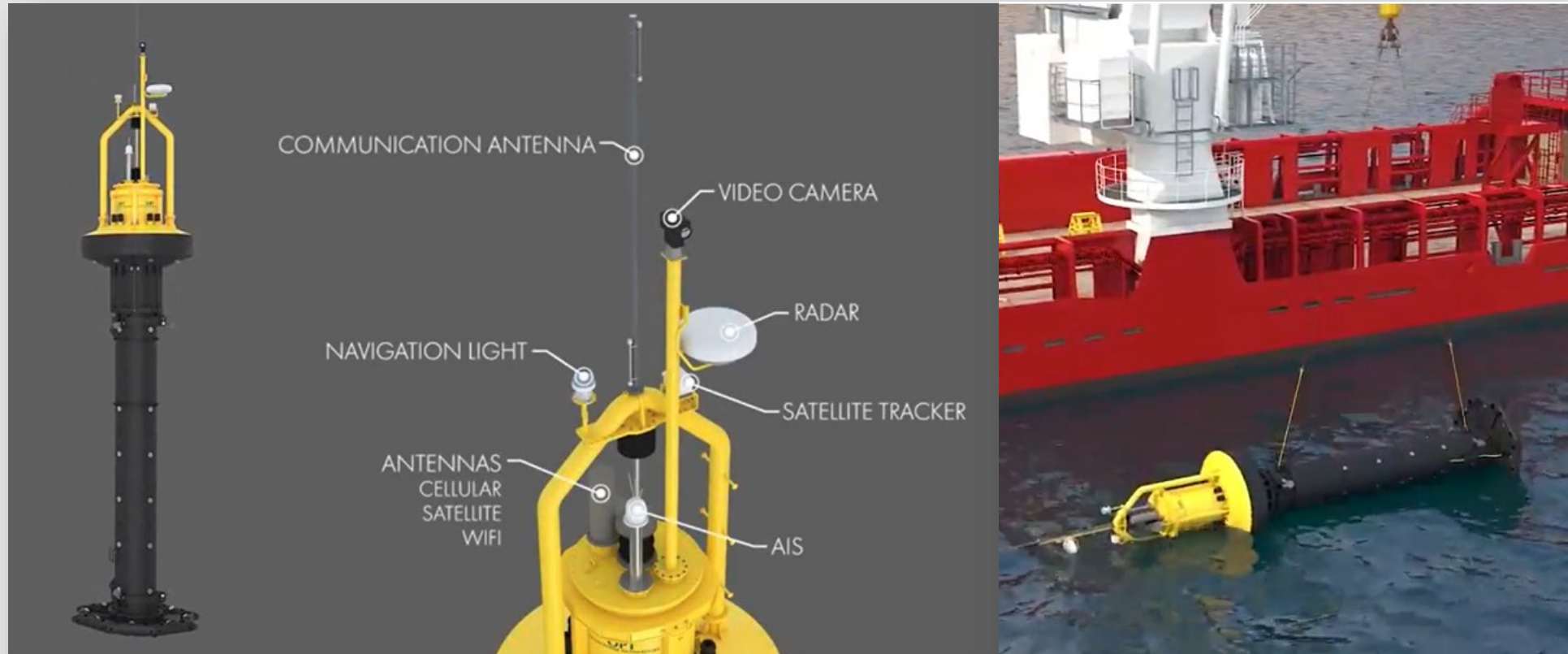
Initial demonstration projects, rental/service revenues, “try before you buy”

Budgetary estimates, technical proposals, contract negotiations

Non-disclosure agreements, front-end engineering design (FEED) studies



Target Market Buying Process



Base PowerBuoy®

- Sale or Lease

+

Value-Added Engineering

- Packaged Options
- Customization
- Integration Services

+

Support Services

- Marine Services
- Remote Monitoring
- Extended Service Agreements

Current Customer Projects

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Enel Green Power Chile (Off Chilean Coast)

PB3 PowerBuoy® purchase

Open Sea Lab development and turnkey delivery

Deployment in Chilean waters first half of 2020*

Eni S.p.A. (Adriatic Sea)

1 ½ year lease with 1 ½ year extend option

Purchase option

Deployed November 2018 in Adriatic Sea

Achieved One Megawatt-Hour

Premier Oil (North Sea)

9-month lease with extension option

Purchase option

Deployed in August 2019 in Central North Sea

Large Oil & Gas Operator (Gulf of Mexico)

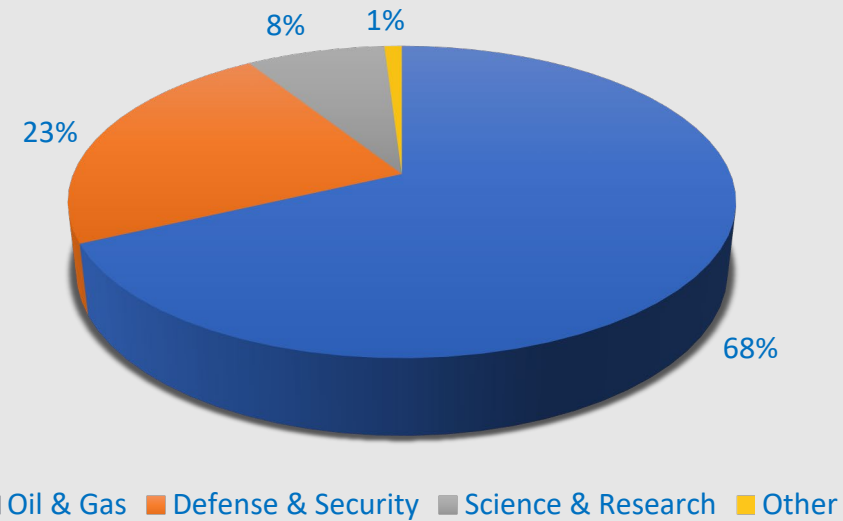
Study completed

Critical to subsea monitoring business

*Estimated date

Current Opportunities

- Total pipeline: 70+ leads and opportunities in various stages
 - 18 opportunities = \$8.2M+ potential value
 - Majority are developing / not yet proposed



State of the Market

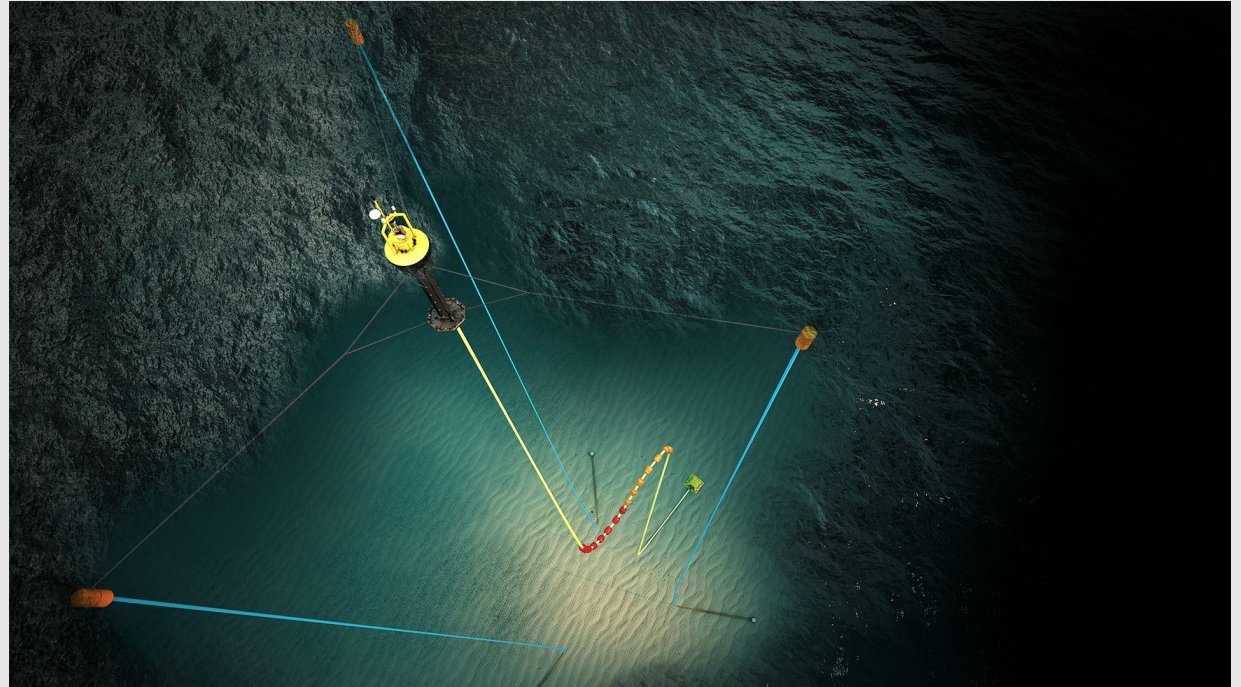
- The Oil & Gas market is progressively advancing projects while utilizing less personnel
- Eni project success leading to increased market interest / requests for quotations
- Increased interest in unmanned / autonomous solutions across all markets

Accelerating Toward Contracts

- Increased sales team footprint
- Streamlined bid preparation process
- Aggressive pricing
- New products to be deployed in 2020

Financials

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Financial Profile

Selected Financial Information (in 000s)	
Balance Sheet (unaudited)	
Cash, cash equivalents, restricted cash ⁽¹⁾	\$13,487
Total current assets ⁽¹⁾	\$14,107
Property & equipment, net ⁽¹⁾	\$583
Total current liabilities ⁽¹⁾	\$2,078
No debt on balance sheet	

Capital Structure ^(1,2)	
Total shares outstanding ^(1,2,3)	5,771,134
% owned by directors & officers ⁽⁴⁾	≤1.0%
Warrants outstanding ⁽¹⁾	5,347,463
Options outstanding	63,984

Dollars in thousands, except per share data.

⁽¹⁾ As of July 31, 2019

⁽²⁾ Excludes warrants and options outstanding

⁽³⁾ Reflects March 12, 2019 1-for-20 reverse stock split

⁽⁴⁾ As of FY19 Annual General Meeting of Shareholders per October 25, 2019 Proxy Statement

Recap

Why Invest in Ocean
Power Technologies?



- OPT is the **go-to solution provider** for remote offshore power
- **First-mover advantage** with no near-term competition and a strong intellectual property portfolio
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Contact

Porter, LeVay & Rose

Matthew Abenante, IRC

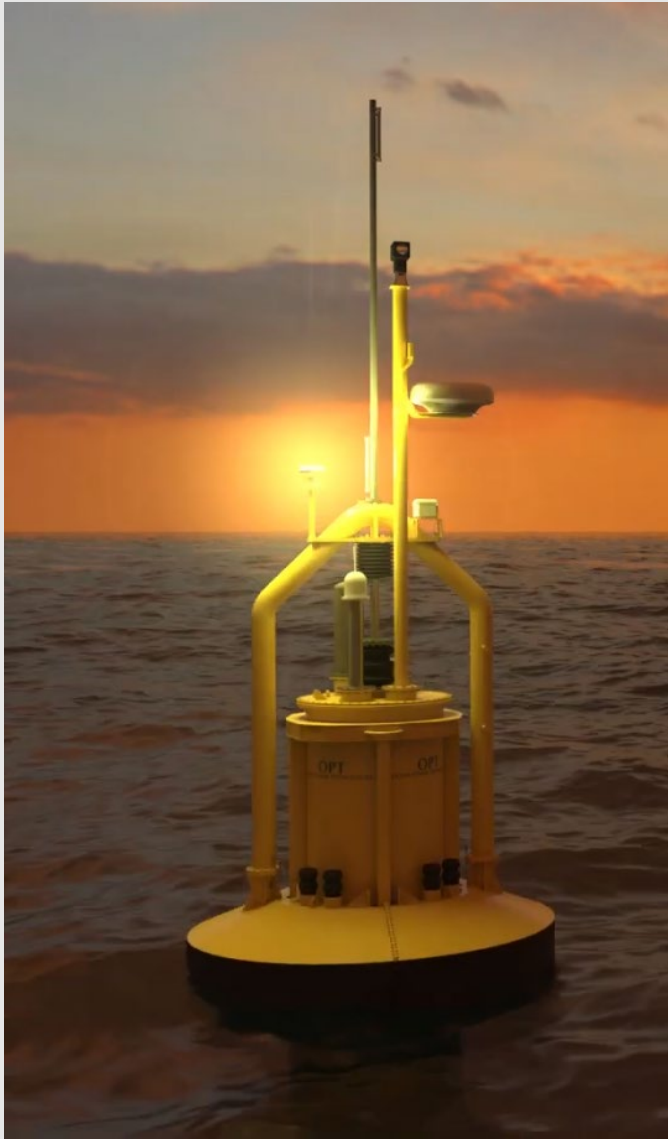
Senior Vice President

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POWERBUOY®
TAPPING INTO THE POWER OF THE OCEAN

Thank you!

Market Supporting Information and Sources



Total Addressable Market

The National Oceanographic and Atmospheric Administration (“NOAA”) 2016 Ocean Enterprise Report

Oil & Gas

Source: U.S. Bureau of Safety and Environmental Enforcement
Greater than 10,000 sites are currently in operation or ready for decommissioning.

Ocean Observing

The National Oceanographic and Atmospheric Administration (“NOAA”) 2016 Ocean Enterprise Report

Estimated total addressable market is \$2B for five fiscal years beginning 2017. The market was refined for in situ vs. Remote systems and also for the different types of in situ systems such as fixed vs. mobile; this was based on data from two publicly available reports.

Defense & Security

Global Border and Maritime Security Market Executive Summary, Frost & Sullivan report, February 2014

Estimated total addressable market is \$3.5B based on whether applications are coastal, remote, or aerial systems.

Communications

2015 Frost & Sullivan Oil & Gas Satellite Communications market report
The estimated total addressable market is \$0.5B for five fiscal years beginning 2017.

Decommissioning Sources

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- Oil & Gas UK Decommissioning Insight 2017 <https://oilandgasuk.co.uk/wp-content/uploads/2017/11/Decommissioning-Report-2017-27-Nov-final.pdf>
- Decommissioning Opportunities in Brazil's Oil and Gas Horizon <https://www.export.gov/article?id=Decommissioning-Opportunities-in-Brazil-s-Oil-and-Gas-Horizon>
- Deloitte: Decommissioning has potential to be Australia's next oil and gas boom <https://www2.deloitte.com/au/en/pages/media-releases/articles/australias-next-oil-and-gas-boom-160517.html>
- Preparing for the Next Wave of Offshore Decommissioning <https://www.bcg.com/publications/2018/preparing-for-next-wave-offshore-decommissioning.aspx>
- WoodMac: \$32 billion to be spent on decommissioning worldwide in 5 years <https://www.ogj.com/articles/2018/07/woodmac-32-billion-to-be-spent-on-decommissioning-worldwide-in-5-years.html>