



AUDIO WEBCAST  
RESULTS OF QUARTER ENDED  
JANUARY 31, 2010

March 12, 2010

# Forward-Looking Statements

In addition to historical information, this presentation contains forward-looking statements that 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. These factors include, among others, the following: future financial performance indicating expected cash flow, the ability to reduce costs and improve operational efficiencies, revenue growth and increased sales volume, or success in key markets, our ability to enter into relationships with partners and other third parties, delivery and deployment of PowerBuoys®, increasing the power output of our PowerBuoys and hiring new key employees and expected costs of our PowerBuoy product, and building strong long-lasting customer relationships. Many of these risks are discussed in our recent filings with the Securities and Exchange Commission.

# Summary

- Charles F. Dunleavy elected Chief Executive Officer
- OPT's strength recognised with funding awards:
  - Awarded A\$66.5 million (US \$60 million) funding by Australian Government for a 19MW wave power station
  - Received €2.2 million (US \$3 million) from the EC to develop enhanced wave power device
- Commenced construction of PB150 for Reedsport
- Signed MOU with State of Oregon
- Successfully deployed and operated PowerBuoy® at Marine Corps Base in Hawaii
- Revenues increased 47% over previous quarter
- Achieved gross profit for third consecutive quarter
- Contract backlog remained strong at \$6.6m



# Hawaii Deployment – December 2009





# Operational Progress – United States

## ■ Oregon, US

- Construction begun by Oregon Iron Works on first PB150 for Reedsport project
- Signed MOU with State of Oregon for future projects, including phased development of up to 100 MW wave power station at Coos Bay

## ■ Hawaii, US

- Deployed and continue to operate enhanced 40kW PowerBuoy at Marine Corps Base in Oahu, Hawaii
- Awarded an additional \$380,000 funding for the project

## ■ US Navy “LEAP” project

- Advanced project to provide wave energy system for US Navy's Littoral Expeditionary Autonomous PowerBuoy program
- Current one-year \$2.4 million contract is the initial award under a proposed four-year \$15 million project to establish near-shore maritime surveillance for homeland security

## ■ US Navy Deep Ocean Application

- Progress continued on ongoing project under \$3 million contract to provide OPT's autonomous PowerBuoy technology for the US Navy's “DWADS” deep ocean data gathering program



# Manufacturing of PB150 - Oregon



# Operational Progress – Europe & Australia

## ■ Spain

- Completed in-ocean trials of proprietary Underwater Substation Pod
- Received €2.2 million (US \$3 million) EC funding to develop enhanced wave power device for Spain

## ■ Scotland

- On track to complete PB150 for ocean trials in mid 2010
- Steel structure nearing completion
- Testing continues for power take-off and conversion subassemblies

## ■ Australia

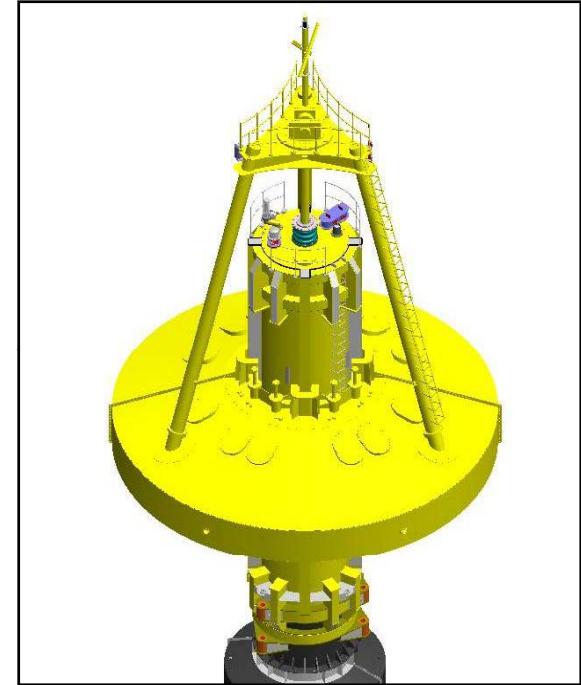
- Awarded A\$66.5 million (US \$60 million) in partnership with Leighton Contractors Pty Ltd from the Federal Government of Australia to build a 19 MW wave power project
- Only wave power company to receive an award



# PB150 PowerBuoy System - Scotland



*PB150 Power Take-Off System, Warwick, UK*

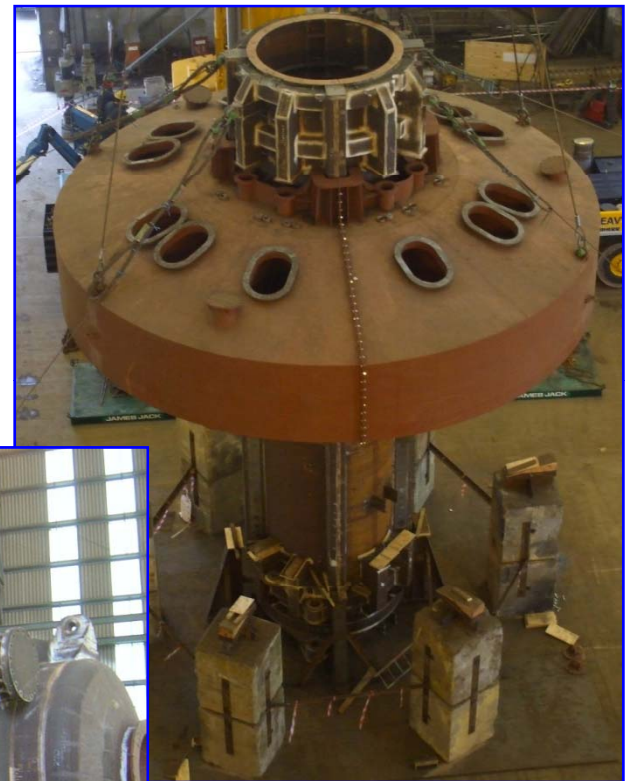


*PB150 PowerBuoy*

- PB150 being manufactured; ocean trials off Scotland scheduled for mid-2010



# Manufacturing of PB150 - Scotland



# Financial Summary – Operating Results

	<u>Three Months Ended January 31,</u>		<u>Nine Months Ended January 31,</u>	
<b>US\$'000's</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Revenues	\$856	\$965	\$2,749	\$3,418
Cost of revenues	<u>691</u>	<u>639</u>	<u>2,243</u>	<u>3,956</u>
Gross Profit (Loss)	165	326	506	(538)
Product development	3,681	2,086	8,468	6,119
Selling, general and administrative costs	<u>2,558</u>	<u>2,123</u>	<u>6,915</u>	<u>7,068</u>
Operating loss	(6,074)	(3,883)	(14,877)	(13,725)
Interest income	232	373	764	1,434
Other income	18	—	549	—
Foreign exchange gain(loss)	172	(88)	675	(1,316)
Net income attributable to noncontrolling interest in OPT Australasia	3	—	(51)	—
Net loss	<u><u>(\$5,649)</u></u>	<u><u>(\$3,598)</u></u>	<u><u>(\$12,940)</u></u>	<u><u>(\$13,607)</u></u>
Basic and diluted net loss per share	(\$0.55)	(\$0.35)	(\$1.27)	(\$1.33)
Weighted average shares	10,213,900	10,210,354	10,211,536	10,210,354

# Financial Summary – Financial Condition

US \$'000's	January 31, 2010	April 30, 2009
Cash, cash equivalents, restricted cash and marketable securities	\$71,282	\$82,689
Long-term debt	\$339	\$345
Stockholders' equity	\$71,048	\$82,783
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Common shares outstanding at period end	10,391,000	10,210,000
Unexercised stock options and other equity-based compensation	1,548,000	1,677,000

# Financial Summary – Cash Flows

*For the nine months ended January 31, 2010 and 2009*

<b>US \$'000's</b>	<b>2010</b>	<b>2009</b>
Net cash used in operating activities	(\$11,766)	(\$12,696)
Net cash provided by (used in) investing activities	\$7,222	(\$66,242)
Net cash used in financing activities	(\$93)	(\$43)
Effect of exchange rate changes	<u>\$837</u>	<u>(\$1,603)</u>
Net change in cash and cash equivalents	(\$3,800)	(\$80,584)
Net change in restricted cash and marketable securities	<u>(\$7,607)</u>	<u>\$64,897</u>
<b><i>Net change in cash, cash equivalents, restricted cash and marketable securities</i></b>	<b><u>(\$11,407)</u></b>	<b><u>(\$15,687)</u></b>



# Leveraging technology to accelerate growth

## **Utility PowerBuoy Market**

- Robust \$50 Billion per annum market for renewable power generation equipment
- Benefits from governmental programs to accelerate wave energy projects
- OPT focus on Europe, North America, Australia, Japan

## **Autonomous PowerBuoy Market**

- Well-established and successful segment of OPT business
- Growing number of contracts with US Navy
- Market opportunity in other applications
- Technology and expertise ready to accelerate commercialization

## **Infrastructure products and services**

- Underwater substation pod can provide connectivity for any offshore energy device
- Undersea power connection infrastructure services e.g. cabling – can be marketed to other companies in the marine energy sector
- Grid connection – independently certified July 2007
- O&M services for PowerBuoy systems – source of recurring revenues

# Undersea Substation Pod

- Unique features – open platform
- An enabler for field development of marine energy devices
- Lowers cost per MW installed



# Commercialization through collaboration

## Collaboration

- Strategic partnerships to maximise revenue opportunities and market penetration
- Current partners include Lockheed, Iberdrola, Mitsui Engineering and Shipbuilding, and Leighton Contractors
- WavePort project with consortium including Wave Energy Centre, Portugal; Fugro Oceanor, Norway; DeGima, Spain; University of Exeter, UK; ISRI, UK



## Open technology platform

- Multi-use products for different applications
- Connectivity of Underwater Substation Pod
- Flexibility of OPT technology broadens addressable market

# Growth Strategy

- Sell turn-key power stations and O&M contracts to utility projects
- Accelerate commercialization of autonomous PowerBuoy systems
- Increase revenue streams from sale of marine energy infrastructure services and systems including Underwater Substation Pod
- Increase utility PowerBuoy system output from 150kW to 500kW and grow production volumes to improve economics
- Maximise customer funding of technology development
- Leverage funding opportunities from government support of renewable energy
- Build on existing commercial relationships and establish new ones
- Introduce 'collaboration' and 'open platform' concepts

