



Fiscal 2014

Third Quarter Conference Call

Three Months Ended January 31, 2014

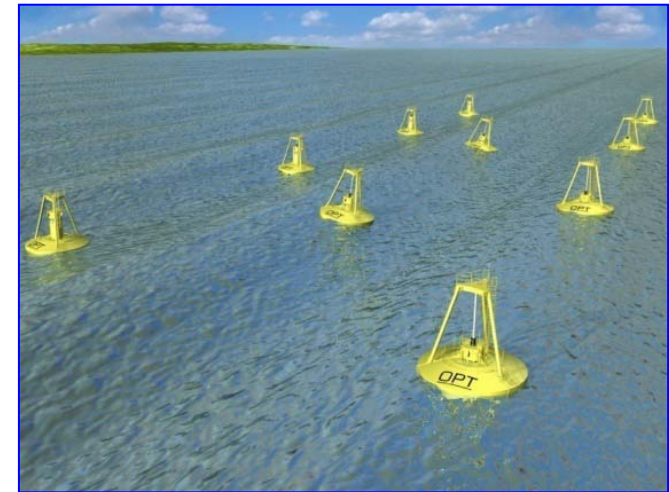
March 14, 2014

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; 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; hiring new key employees; the 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.

Recent Developments

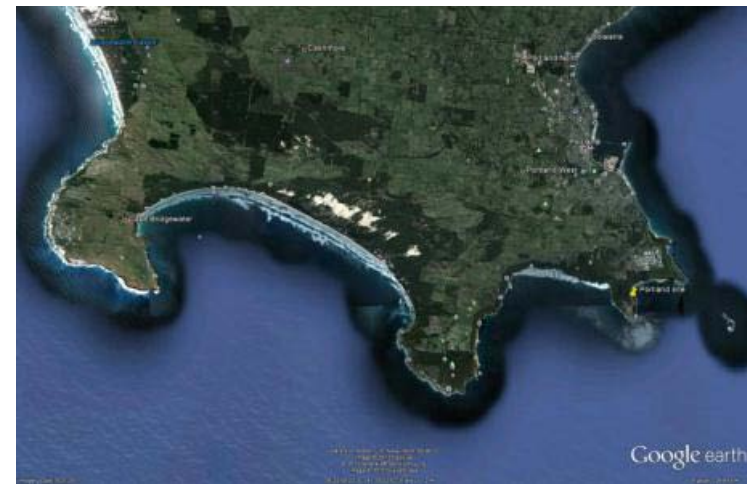
- Signed amended Australian government grant agreement related to Victorian Wave Partners (VWP) project off the coast of Australia
- Began work on \$2.6 million contract from Mitsui Engineering & Shipbuilding (MES) to supply design and components for a planned PowerBuoy deployment in Japan
- Completed testing of novel generation system for Autonomous PowerBuoy and conducted work on advanced control algorithms
- Strengthened management team with hiring of two executives
- Raised a total of \$6.3 million during the third quarter and in February for general corporate purposes through the sale of stock under an “At the Market” (ATM) facility with Ascendant Capital
- Received \$1.75 million through New Jersey Tax Certificate Transfer Program



Artist's Impression of PowerBuoy
Wave Power Station

Australia Update

- Signed amended grant agreement with Australian Renewable Energy Agency for A\$66.5 million grant
- Deed of Variation accelerates reimbursement of expenses for Stages 1 and 2 of 3-stage project
- Grant requires raising of significant additional funding and completion of specific project milestones
- Conducting seabed survey as part of license and permit process and assessing prospective power purchase agreements
- Australia remains an attractive long-term market for both utility and autonomous PowerBuoys



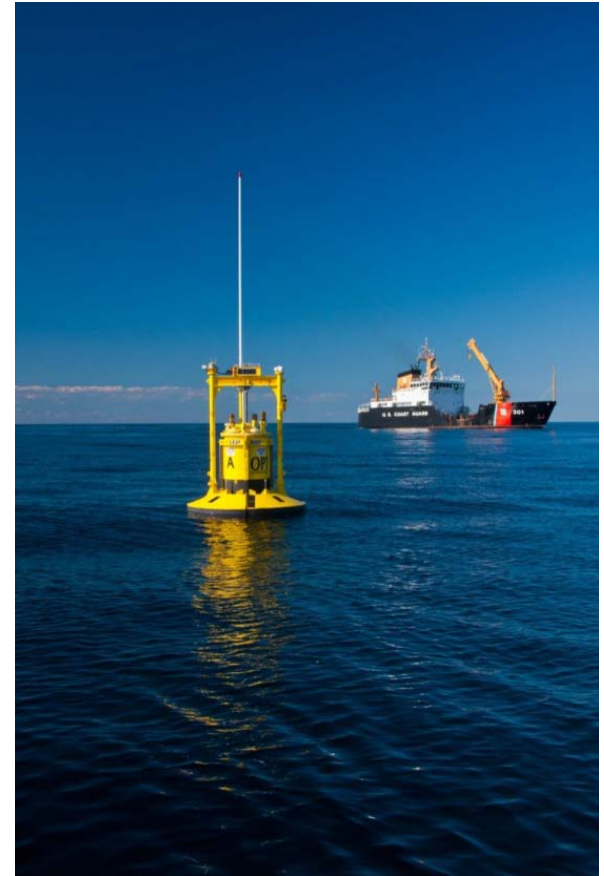
Japan Activity

- Began work on \$2.6 million MES contract for next steps toward a PowerBuoy wave power station off coast of Japan
- License in place for MES
 - To sell PowerBuoys in Japan, the Philippines, Malaysia, Vietnam, Mozambique, South Africa and Namibia
 - OPT to receive royalties and supply power take-off systems
 - MES will manufacture spar, integrate the systems and leverage existing marketing network
 - Renewable, 10-year term
- Japan's renewable energy initiatives include wave energy development



Autonomous PowerBuoy Deployment

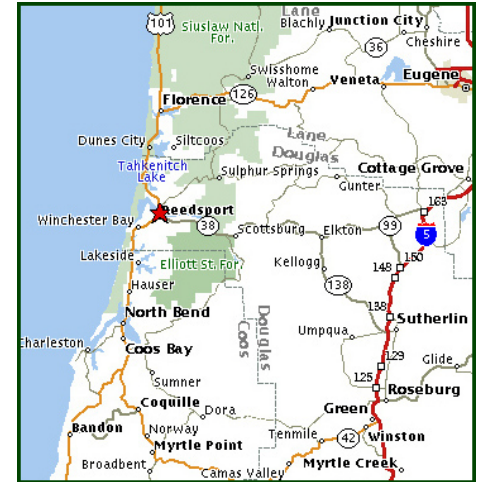
- APB continues to be major focus for OPT
- Hiring of David R. Heinz as VP, Autonomous Power
 - Previously VP and General Manager of Maritime Systems Division of iRobot Corp, which made underwater autonomous vehicles
 - Former Major General in US Marine Corps, where he ran large acquisition programs and performed oversight of worldwide military operations
 - Experience marketing to oil and gas and defense industries
- Completed ocean testing of novel power generation system for Autonomous PowerBuoy low power levels
- Conducted work on advanced control algorithms – benefits both autonomous and utility systems
- Potential APB market expanded to include both lower power and higher power systems



Oregon and Spain Activity

■ Oregon

- Oregon activity remains on hold
 - Addressing regulatory requirements
 - Focusing on prospects for obtaining additional project-specific funding
- Made decision not to renew a preliminary permit for future potential phases of project



■ Spain

- Continue work on contract with European Commission
- Project incorporates an advanced, modular power take-off system and new wave prediction models



Financial Summary – Operating Results

	<u>Three Months Ended January 31</u>		<u>Nine Months Ended January 31</u>	
US \$ (000's)	2014	2013	2014	2013
Revenues	\$200	\$866	\$1,124	\$3,208
Cost of revenues	<u>193</u>	<u>890</u>	<u>1,116</u>	<u>3,116</u>
Gross profit (loss)	7	(24)	8	92
Product development costs	786	602	3,667	5,467
Selling, general and administrative costs	<u>1,772</u>	<u>2,368</u>	<u>6,128</u>	<u>6,856</u>
Operating loss	(2,551)	(2,994)	(9,787)	(12,231)
Interest income	3	22	6	112
Foreign exchange gain	<u>23</u>	<u>22</u>	<u>153</u>	<u>16</u>
Loss before income taxes	(2,525)	(2,950)	(9,628)	(12,103)
Income tax benefit	<u>1,746</u>	<u>1,453</u>	<u>1,746</u>	<u>1,453</u>
Net loss	(779)	(1,497)	(7,882)	(10,650)
Less: Net loss attributable to the noncontrolling interest in Ocean Power Technologies (Australasia) Pty, Ltd	39	31	122	97
Net loss attributable to OPT	<u><u>(\$740)</u></u>	<u><u>(\$1,466)</u></u>	<u><u>(\$7,760)</u></u>	<u><u>(\$10,553)</u></u>

Financial Summary – Financial Condition

US \$ (millions)	January 31, 2014	October 31, 2013
Cash, cash equivalents, restricted cash and marketable securities	19.6*	\$18.7
Current and long-term debt	\$0.3	\$0.3
Stockholders' equity	16.9*	\$15.0

*Note: additional \$3.8 million raised in February 2014 under ATM facility

Summary

- Australia amended grant agreement
- Continued work for Japanese market
- APB market remains a focus
- Strong balance sheet & stable backlog

