

OPT

OCEAN POWER TECHNOLOGIES



Rodman & Renshaw Annual Global Investment Conference

Clean Technology

Charles F. Dunleavy, CEO

September 12, 2011

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.

Investment Highlights

- Leading developer of turnkey ocean wave power production systems focused on:
 - \$50 billion renewable segment of the \$150 billion utility market
 - \$10 billion autonomous (non-grid) power delivery market
- Developing utility PowerBuoy projects in North America, Europe, Japan and Australia, and marketing autonomous PowerBuoy for multiple applications
- Strong partnerships in place: U.S. Navy, U.S. DOE, Lockheed Martin, PNGC Power, Mitsui (Japan), Leighton Contractors (Australia), Iberdrola (Spain)
- Extensive in-ocean product performance, including successfully withstanding hurricanes and winter storms
- Solid balance sheet – foundation for growth

Company Overview

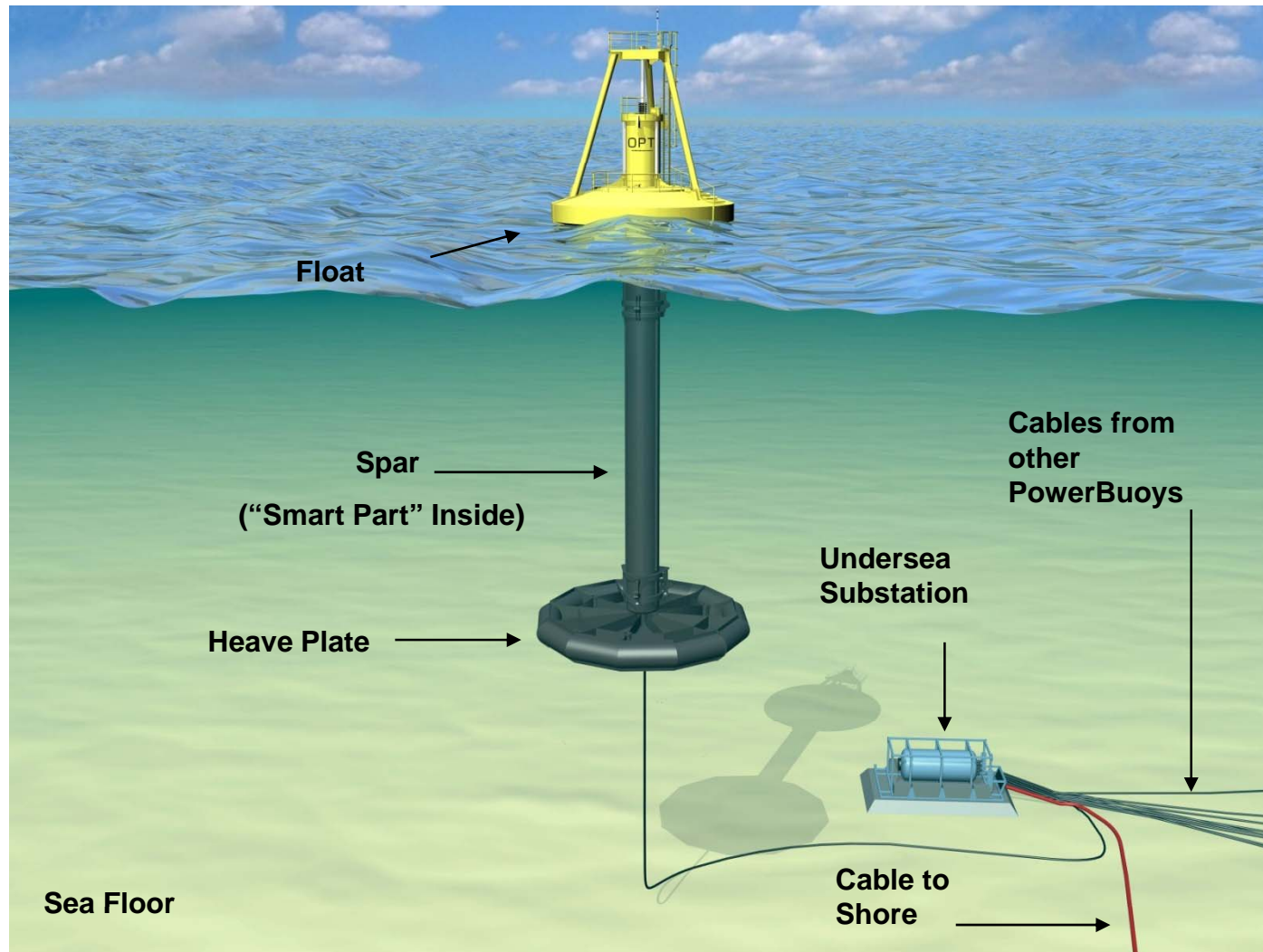
Commenced Operations:	1994
Incorporation:	Delaware, USA
Operating Locations:	Pennington, NJ, USA and Warwick, UK
Total Employees:	50
Intellectual Property:	61 US patents issued or pending
Cash and Investments:	\$43.1 million (as of July 31, 2011)
Public Listing:	Nasdaq (OPTT)

Strong Leadership Team

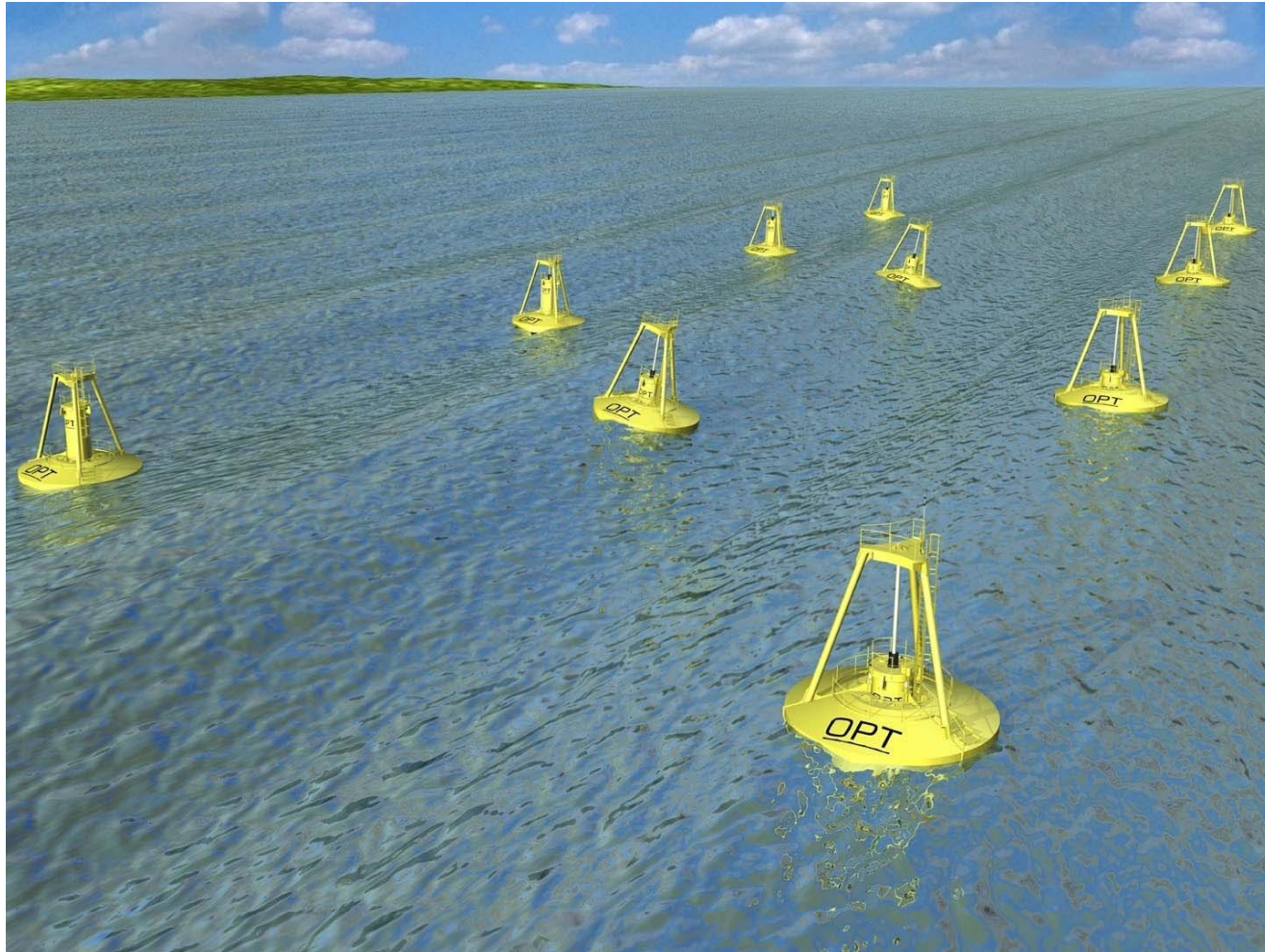
- **Charles F. Dunleavy** – Chief Executive Officer
 - Key role in expanding OPT's operations in Europe, North America, Australia and Japan
 - Instrumental in raising over \$150 million in equity capital in US and Europe
- **Dr. Philip R. Hart** – Chief Technology Officer
 - Significant experience in marine technology and subsea engineering projects
 - Has led multi-discipline engineering teams on various offshore programs
- **Michael G. Kelly** – VP Operations
 - 30 years experience in marine industry
 - Management of international commercial and technical teams
- **Angus Norman** – Chief Executive of OPT Ltd
 - Extensive experience in energy and renewable energy generation
 - Previously MD of Sustainable Solutions at EDF Energy
- **Brian M. Posner** – Chief Financial Officer
 - 27 years experience in public and private companies
 - Served on audit staff of PriceWaterhouseCoopers LLP
- **Dr. George W. Taylor** – Executive Chairman
 - Internationally recognized wave energy expert
 - Key to building OPT's business, technology portfolio and strategy



PowerBuoy and Undersea Substation



Wave Power Station



Business Strategy

- Sell equipment and service contracts, rather than energy*
- Concentrate on North America, Europe, Australia, Japan
 - Target high energy cost and/or high subsidy regions of the world
- Accelerate revenue streams from autonomous PowerBuoy systems and marine energy infrastructure services
- Increase utility PowerBuoy system output from 150kW to 500kW and grow production volumes to improve economics
- Collaborate with other organizations
 - “Smart part” built at OPT’s facilities; outsource steel work and balance of plant*
 - Partnerships with potential customers with strategic interest in OPT
 - Leverage combined expertise
 - Financial risk sharing
 - Maximize customer funding of technology development*

* Serves to reduce ongoing capital needs

Autonomous PowerBuoys

Technology Readiness

- First autonomous PowerBuoy tested in 2004 off State of Washington under Lockheed contract
- PB40-rated system operated off New Jersey during 2005-2007
 - Withstood Hurricane Wilma
- DWADS PowerBuoy prototype tested in 2010 demonstrating stationkeeping for US Navy
 - Power generation in autonomous mode to maintain station and provide power intended for a sonar-based maritime security system
- LEAP PowerBuoy “mission proven” in 2011 in successful integration with US Navy’s radar-based, operational maritime security system
 - Persistent power in all wave conditions, using proprietary power management system
 - Withstood Hurricane Irene

Key Customers and Partners to Date

- US Navy
- Lockheed Martin

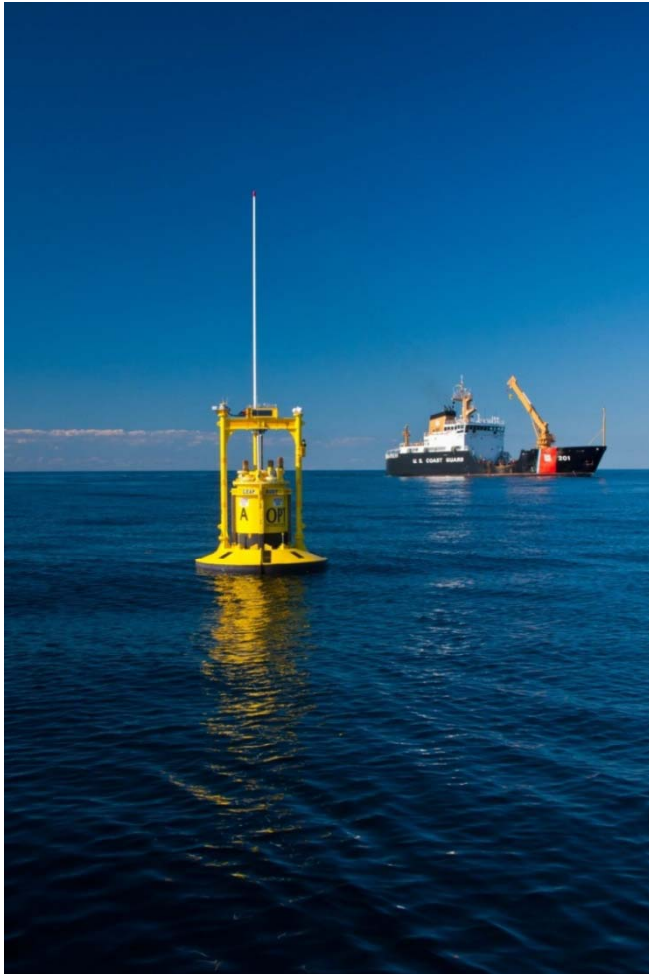
Targets/Near-Term Goals

- Report data following LEAP ocean performance
- Actively marketing to customers for maritime security applications and offshore oil and gas sector

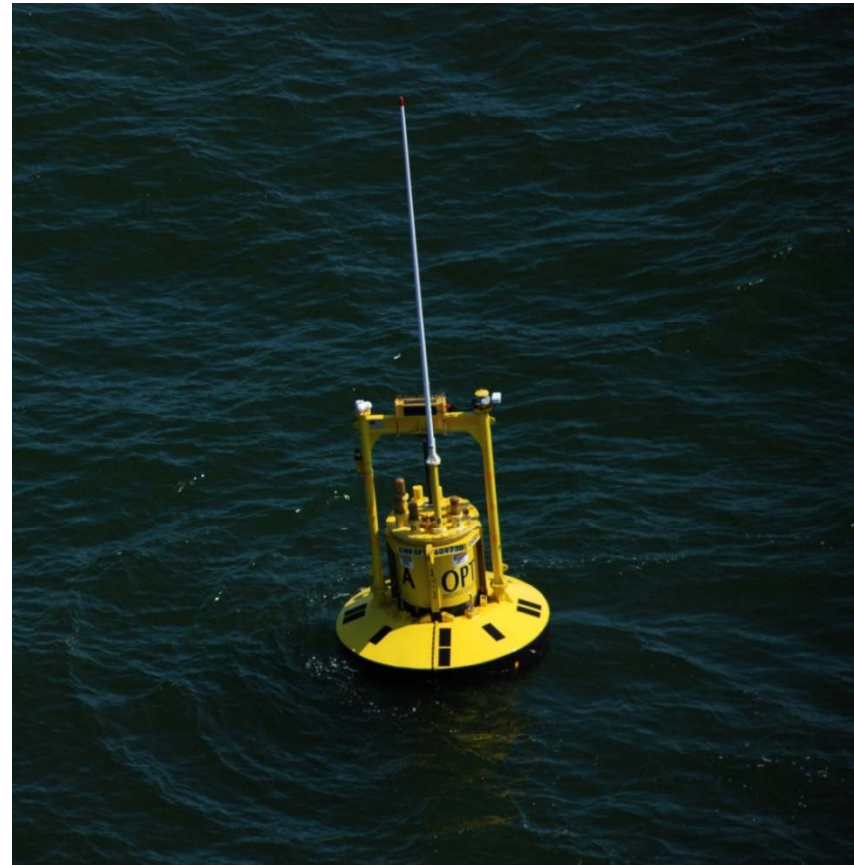
LEAP PowerBuoy Video



LEAP PowerBuoy off New Jersey Coast



LEAP PowerBuoy
Deployed by US Coast Guard



LEAP PowerBuoy After Hurricane Irene

Utility PowerBuoys

Technology Readiness

- Hawaii PB40 installed at Marine Corps Base 2009 – 2011 under US Navy contract
 - Grid-connected in 2010
- Scotland PB150 undergoing successful ocean trials in 2011
 - Power output and overall system performance exceeded expectations
- PB150 to be in operation off Reedsport, Oregon by mid-2012
- Grid connection certified by Intertek for compliance with UL and IEEE standards
- PB150 structure and mooring design certified by Lloyd's Register
- Independent Environmental Assessment in Hawaii under direction of US Navy resulted in "Finding of No Significant Impact" – highest rating

Key Customers and Partners to Date

- | | | |
|-------------------------------------|---------------------------|-------------|
| ■ US Navy | ■ US Department of Energy | ■ Leighton |
| ■ Mitsui Engineering & Shipbuilding | ■ PNGC Power | ■ Iberdrola |
| ■ Lockheed Martin | | |

Targets/Near-Term Goals

- Complete ocean trials of Scotland PB150
- Complete PB150 for Oregon; commence in-ocean operation in mid-2012
- Actively marketing in Japan, Australia, North America, Europe

Scotland Outperforming

PB150 – Scotland

- Attained Lloyd's Register certification of PB150 design
- Ocean trials commenced April 2011, expected to be complete by end of October 2011
- Achieved average electrical power of 45 kilowatts at wave heights as low as 2 meters, exceeding expectations
- Power take-off system performed well
- Capacity factor higher than generally seen in other renewables, such as wind and solar
- Seeking commercial partner or customer for next phase

PB150 Scotland PowerBuoy Video



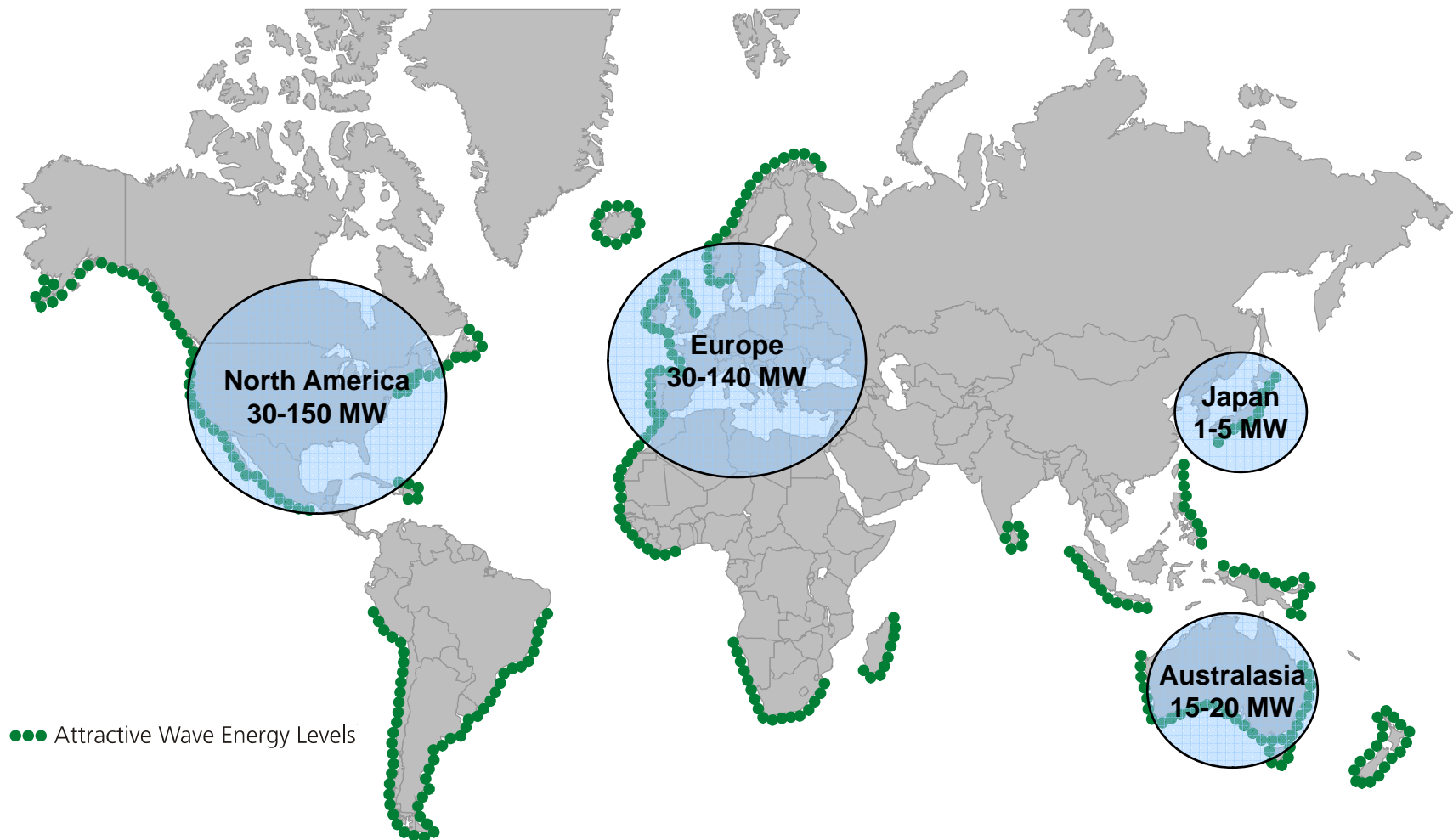
PB150 Scotland Deployment



PB150 Scotland Post Deployment



Ongoing Utility Marketing Initiatives



- Target sales price in production volumes is \$4 million/MW (higher initially)

Competitive Advantages

- PowerBuoy is based on ocean-going buoys, primarily below sea surface
- Electronic “tuning” capability optimizes power in changing wave conditions
- Same PowerBuoy technology provides power for autonomous deep-sea applications and is scaleable for utility markets
- Demonstrated in-ocean performance in hurricanes, winter storms and tsunami-driven waves
- Grid connection and PB150 design independently certified for compliance with international standards
- Independent environmental assessment resulted in “Finding of No Significant Impact”
- Capacity factor of 30-45% versus solar and wind of 10%-35%

Attractive Utility Customer Cost Dynamics

	Renewables					Fossil Fuel	
	OPT Wave Power (a)	Solar PV	Solar Thermal	Biomass	Wind (b)	Natural Gas	Coal
Capital Cost \$ million per MW	\$3.9	\$2.5 - 4	\$5 - 6.5	\$3 - 4	\$3.1 - 5.0	\$0.5 - 1.8	\$3.0 - 8.4
Energy Cost ¢ per kWh	15¢	7 - 19¢	12 - 20¢	8 - 13¢	3 - 16¢	6.5 - 12.1¢	7.0 - 15.2¢

Reduction in capital and energy costs can be derived from:

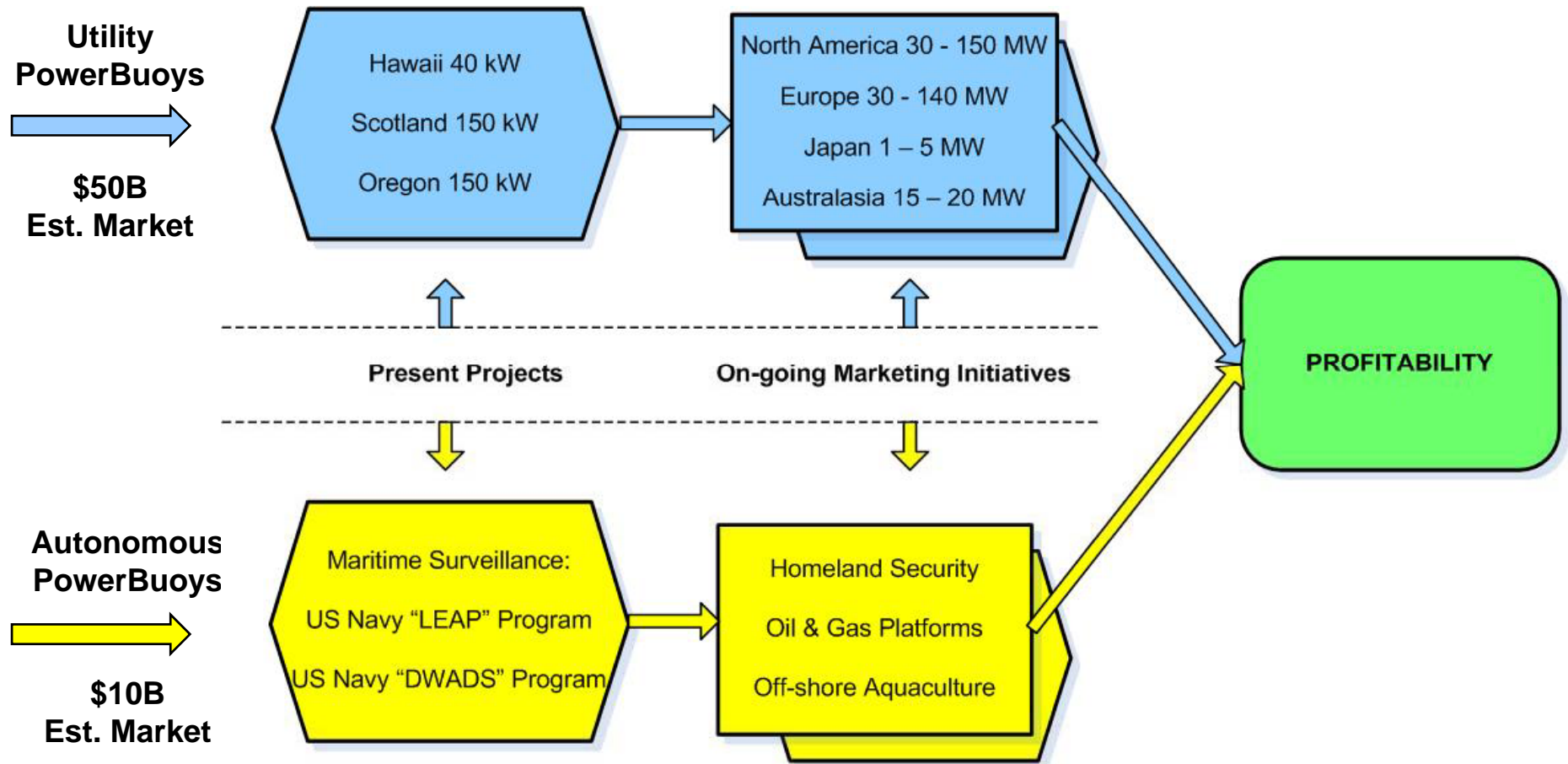
- Tax Credit monetization – e.g. US Production and Investment Tax Credits, Oregon Energy Tax Credit
- Green tags, renewable obligation certificates, carbon credits
- Grants, subsidies, tariffs – e.g. UK Electricity Market Reform initiatives, Portugal feed-in tariffs

- (a) Company projected costs based on production levels of 400 PowerBuoys per year
 (b) Includes offshore and onshore wind

Sources:

Energy Information Administration, *Annual Energy Outlook 2011*, December 2010, DOE/EIA – 0383 (2010); *Levelized Cost of Energy Analysis – Version 5.0*, Lazard, August 2011

Multiple Paths to Profitability



Standard PowerBuoy Manufacturing Process

- Buoy fabricated near coastal site
- Power take-off and control system (“smart-part”) built in New Jersey
- Integration and test of completed PowerBuoys at dockside near coastal site



PowerBuoy at Fabrication Site



Power Take-Off & Control System

PowerBuoy Deployment Process



Japan and Australia

■ Japan

- Visited manufacturing facilities of Mitsui Engineering & Shipbuilding and had joint OPT/MES meeting with Japanese Government officials
- Next step is for economic assessments and identification of site for in-ocean trials
- Intermediate-term goal is a scaleable power station of 10MW+

■ Australia

- OPT's partner, Leighton Contractors, working towards completion of funding for this three-phase, 19MW project off Portland, Victoria
- Looking to raise project finance on top of government's A\$66.5 million grant
- Portland project offers excellent long-term opportunity for expansion to larger-scale wave power station

For More Information

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