



AUDIO WEBCAST
RESULTS OF QUARTER ENDED
October 31, 2010

December 10, 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

- In Hawaii, completed first grid connection of a wave energy device in the US
- Completed integration of “smart part” and buoy structure for first PB150 PowerBuoy in Scotland
- Finished construction of steel structure for PB150 in Reedsport, Oregon
- Signed ground-breaking agreement with 14 different stakeholders in our utility-scale Oregon project
- Successfully progressed Autonomous PowerBuoy projects with US Navy
- Revenues increased 220% and 71% for the three and six months ended October 31, 2010, compared to the respective periods last year
- Contract order backlog increased to \$7.5 million
- Announced awards totalling \$10 million since beginning of fiscal year 2011



Operational Progress – Utility Projects

■ Success of PowerBuoy at the Marine Corps Base in Oahu, Hawaii

- Completed connection to Oahu power grid
- In operation since deployment in December 2009
- Survived severe storm wave conditions
- Performing as intended, producing power in-line with predictive models

■ Hawaii project demonstrates:

- Ability to transmit energy to a grid
- Survivability of PowerBuoy
- Meeting design specifications and confirming performance models for the PB150 and PB500



Hawaii PowerBuoy



Operational Progress – Utility Projects

■ England

- Signed agreement with SWRDA to develop a 5MW berth at Cornwall Wave Hub
- Installation of cabling and subsea infrastructure now completed by SWRDA
- Awarded £1.5 million (approximately \$2.3 million) grant from SWRDA for 500 kW PowerBuoy

■ Spain – Utility PowerBuoy

- Completed in-ocean trials of proprietary Undersea Substation Pod under contract from Iberdrola
- Awarded €2.2 million (US\$3 million) European Commission grant to develop enhanced wave power device for Spain

■ PB500

- Design work is now in progress
- Awarded (pending final negotiations) \$2.4 million from DoE in Q2 and \$1.5 million in April 2010
- Awarded £1.5 million (\$2.3 million) from SWRDA in Q1
- Strengthens commitment to southwest UK



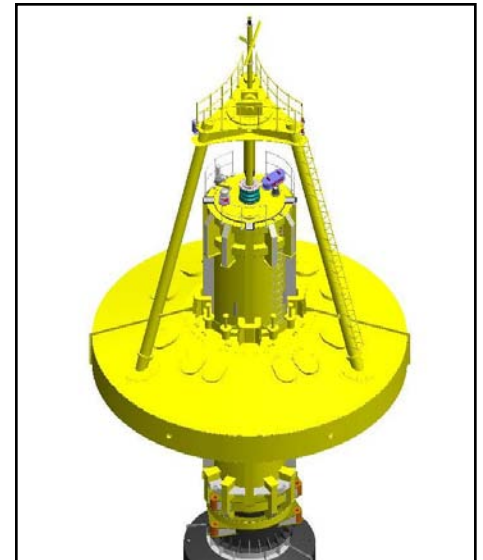
Continuing PB150 Momentum

PB150 – Scotland

- Completed integration of energy conversion and power take-off subassemblies with buoy structure
- Final assembly is now in progress
- To be ready later this month for in-ocean testing off Scotland
- Seeking additional funding for next stage of the buoy's development, after ocean trials

PB150 – Reedsport , Oregon

- Construction of steel structure is complete
- Fabrication of power take-off and control system in process
- Ocean testing expected to commence in second half 2011
- Basis of intended expansion to a 10-buoy, 1.5MW wave power station
- Gained momentum with signing of groundbreaking stakeholder agreement
- Awarded (pending final negotiations) \$2.4 million grant from DoE in September 2010



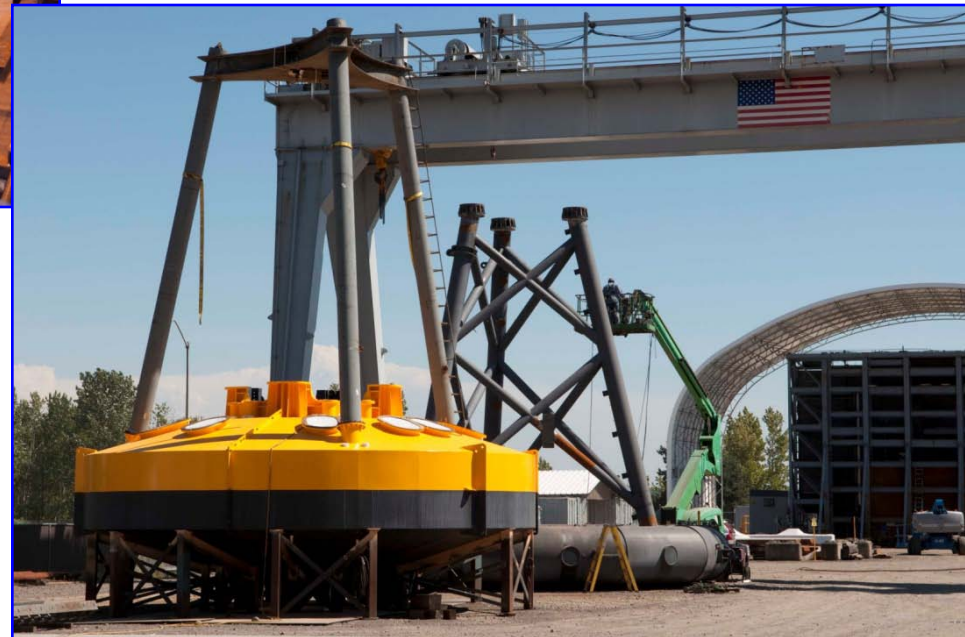
Manufacturing of PB150 – Scotland



PB150 – Scotland



PB150 – Oregon



Operational Progress – Autonomous Projects

US Navy “LEAP” project

- Project to provide wave energy system for coastal surveillance
- Awarded \$2.75 million contract for second stage of program
- Successfully completed first stage which was for design and testing of new power take-off system (PTO)
- Under second stage will build and ocean-test a PowerBuoy, incorporating new PTO

US Navy “DWADS” project

- Building of enhanced device is complete
- Successfully completed near-shore sea trials of the system
- Deep-ocean testing is being scheduled with the US Navy

Operational Progress – Japan and Australia

■ Japan

- Breakthrough agreement for development of Japan's first utility-scale wave power station
- Consortium includes Mitsui Engineering & Shipbuilding Co. (MES), Idemitsu and Japan Wind Development Co.
- Now working with MES under new contract for development of unique mooring method customized for wave power station deployments off the coast of Japan
- Prospective PowerBuoy demonstration plant to provide the basis for commercial-scale OPT wave power station of 10MW or more

■ Australia

- Partnership of Ocean Power Technologies Australasia (OPTA) and Leighton Contractors Pty Ltd awarded A\$66.5 million (US \$65.0 million) from the Federal Government of Australia to build in three phases a 19MW wave power project at Portland, Victoria
- Only wave power company to receive an award under this program
- Leighton working towards completion of funding milestones

FY2011 Business Development Success

Utility Business

- \$2.3M** Southwest Regional Development Agency (SWRDA) – Award for continuing work on PB500 PowerBuoy development.
- \$2.4M** US Department of Energy – 2nd Award for continuing development of OPT's next generation PowerBuoy, the PB500.
- \$0.2M** Mitsui Engineering & Shipbuilding Co. Ltd. – Develop a new mooring system for OPT's PowerBuoy, customized for wave power station off the coast of Japan
- \$2.4M** US Department of Energy – 2nd Award for Reedsport, Oregon program for construction of PB150 PowerBuoy.

Autonomous Business

- \$2.75M** US Navy 2nd phase of LEAP program for maritime and homeland security.

\$10.05M TOTAL

Financial Summary – Operating Results

US\$ 000's	Three Months Ended October 31		Six Months Ended October 31	
	2010	2009	2010	2009
Revenues	\$1,864	\$582	\$3,239	\$1,893
Cost of revenues	<u>1,777</u>	<u>528</u>	<u>3,365</u>	<u>1,552</u>
Gross (loss) profit	87	54	(126)	341
Product development costs	3,679	3,426	7,705	4,787
Selling, general and administrative costs	<u>2,147</u>	<u>2,191</u>	<u>4,176</u>	<u>4,358</u>
Operating loss	(5,739)	(5,563)	(12,007)	(8,804)
Interest income	161	248	398	533
Other income	—	24	—	532
Foreign exchange (loss) gain	<u>71</u>	<u>101</u>	<u>(168)</u>	<u>502</u>
Net loss	(5,507)	(5,190)	(11,777)	(7,237)
Less: Net loss (income) attributable to the noncontrolling interest in Ocean Power Technologies (Australasia) Pty, Ltd	<u>8</u>	<u>(2)</u>	<u>11</u>	<u>(53)</u>
Net loss attributable to OPT	<u>(\$5,499)</u>	<u>(\$5,192)</u>	<u>(\$11,766)</u>	<u>(\$7,290)</u>
Basic and diluted net loss per share	<u>(\$0.54)</u>	<u>(\$0.51)</u>	<u>(\$1.15)</u>	<u>(\$0.71)</u>
Weighted average shares	<u>10,245,168</u>	<u>10,210,354</u>	<u>10,240,817</u>	<u>10,210,354</u>

Financial Summary – Financial Condition

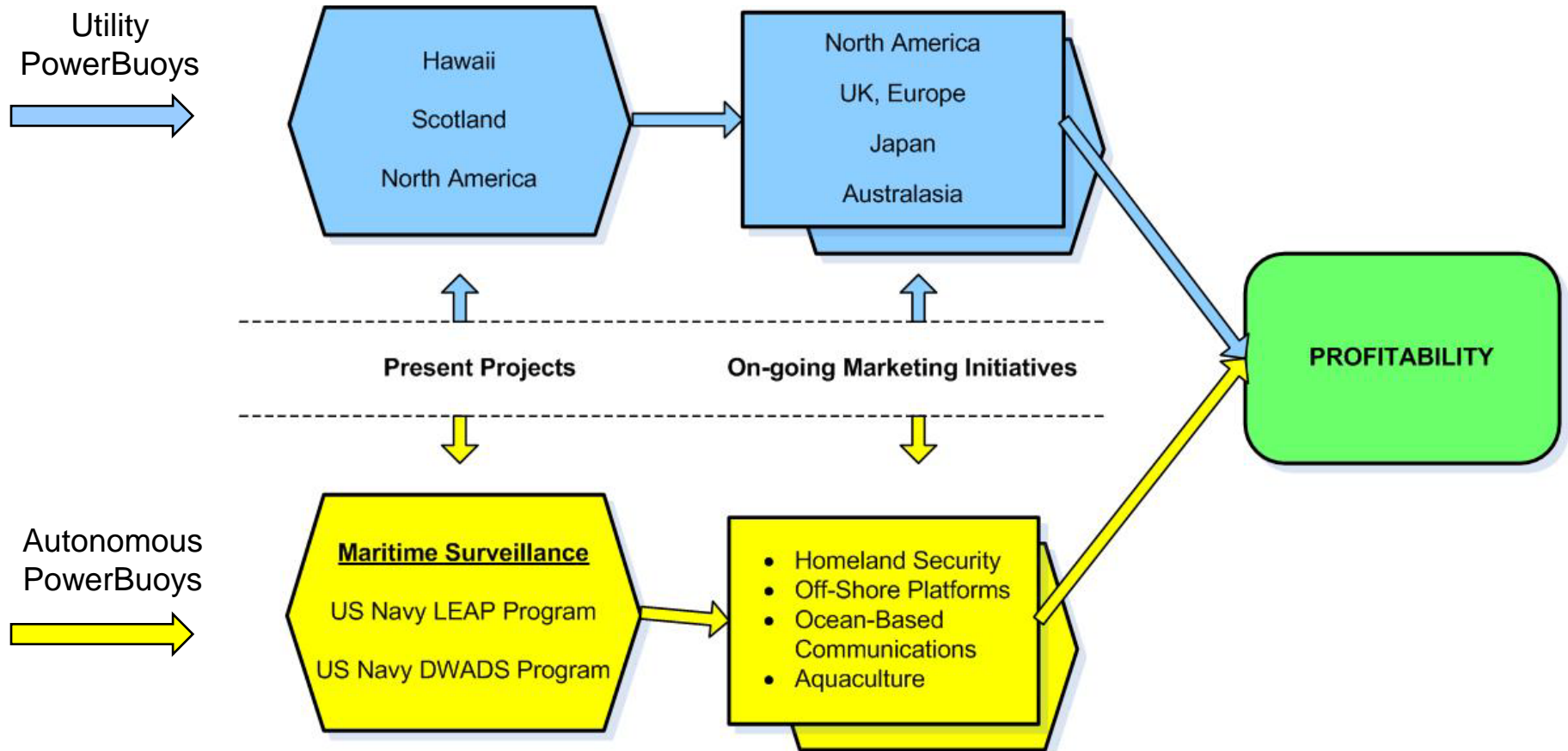
US (\$ millions)	October 31,2010	April 30, 2010
Cash, cash equivalents, restricted cash and marketable securities	\$57.7	\$66.8
Current and long-term debt	\$0.6	\$0.3
Stockholders' equity	\$54.2	\$64.8

De-Listing from AIM

- Effective January 14, 2011, OPT shares will no longer be traded on AIM Market of London Stock Exchange
- OPT remains fully committed to growing our business in UK and Europe
- Reasons for de-listing:
 - Share trading volume on NASDAQ significantly higher than AIM
 - Removal of costs associated with AIM listing
 - Shares will continue to be traded on NASDAQ
- All shareholders on the UK Share register will be moved to the US Share register by OPT's registrar, Computershare
- Computershare assistance in the UK: call + 44 (0) 870 703 6162

Multiple Paths to Profitability

Utility PowerBuoy \$50 Billion per annum Estimated Market Size



Autonomous PowerBuoy \$10 Billion per annum Estimated Market Size

Near-Term Goals

- Ocean trials of first PB150 off the coast of Scotland
 - **Status:** To be ready for ocean trials at end of this month
- Progress on PB150 for Reedsport
 - **Status:** Completed construction of steel structure
- Grid-connection for Hawaii buoy at Marine Corps. Base
 - **Status:** Accomplished
- Deployment of enhanced autonomous PowerBuoy for US Navy's marine surveillance program (DWADS)
 - **Status:** Accomplished near-shore ocean trials
- Completion of first stage of LEAP contract – design and test new PTO
 - **Status:** Accomplished
- New Goal: Design and build LEAP PowerBuoy structure, and test in ocean