

OPT

OCEAN POWER TECHNOLOGIES



Company Presentation

August 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 wave power stations for utility & autonomous applications
- Extensive in-ocean experience, including successfully withstanding hurricanes and winter storms
- Flexibility of core technology – scaleable for both utility and autonomous applications
- Strong partnerships in place: U.S. Navy, U.S. DOE, Lockheed Martin, PNGC Power, Mitsui (Japan), Leighton Contractors (Australia), Iberdrola (Spain)
- Solid balance sheet – foundation for growth

Third Party Commercial Validation

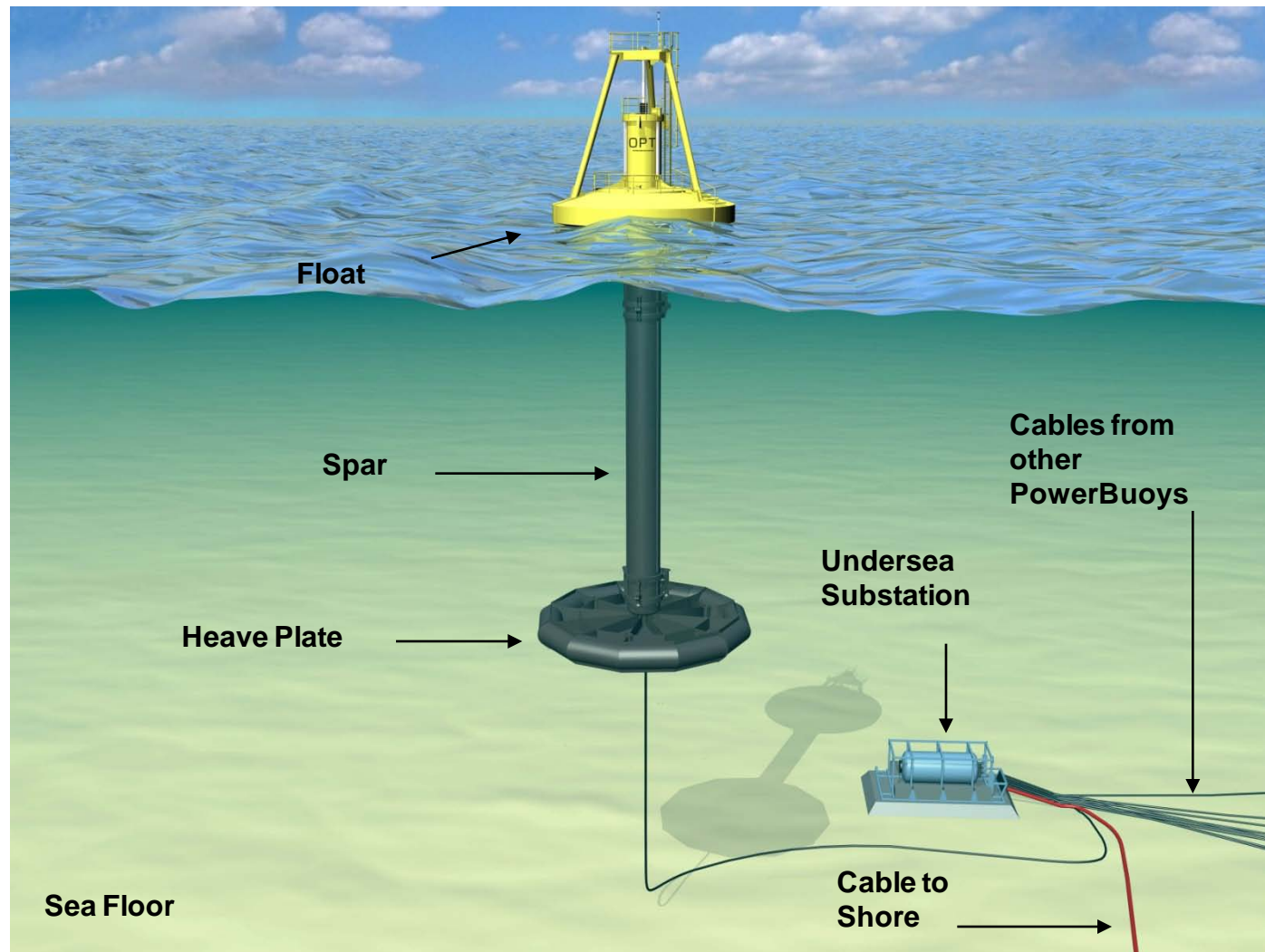
OPT's technology has received more testing & validation by independent parties than any other wave energy company

- Certification by Lloyd's Register of PB150 structure and mooring system
- Independent Environmental Assessment in Hawaii under direction of US Navy resulted in "Finding of No Significant Impact" – highest rating
- Grid connection certified by Intertek (IEEE and UL standards)
- PowerBuoys insured by Lloyd's syndicates for over 13 years for property loss and third party liability

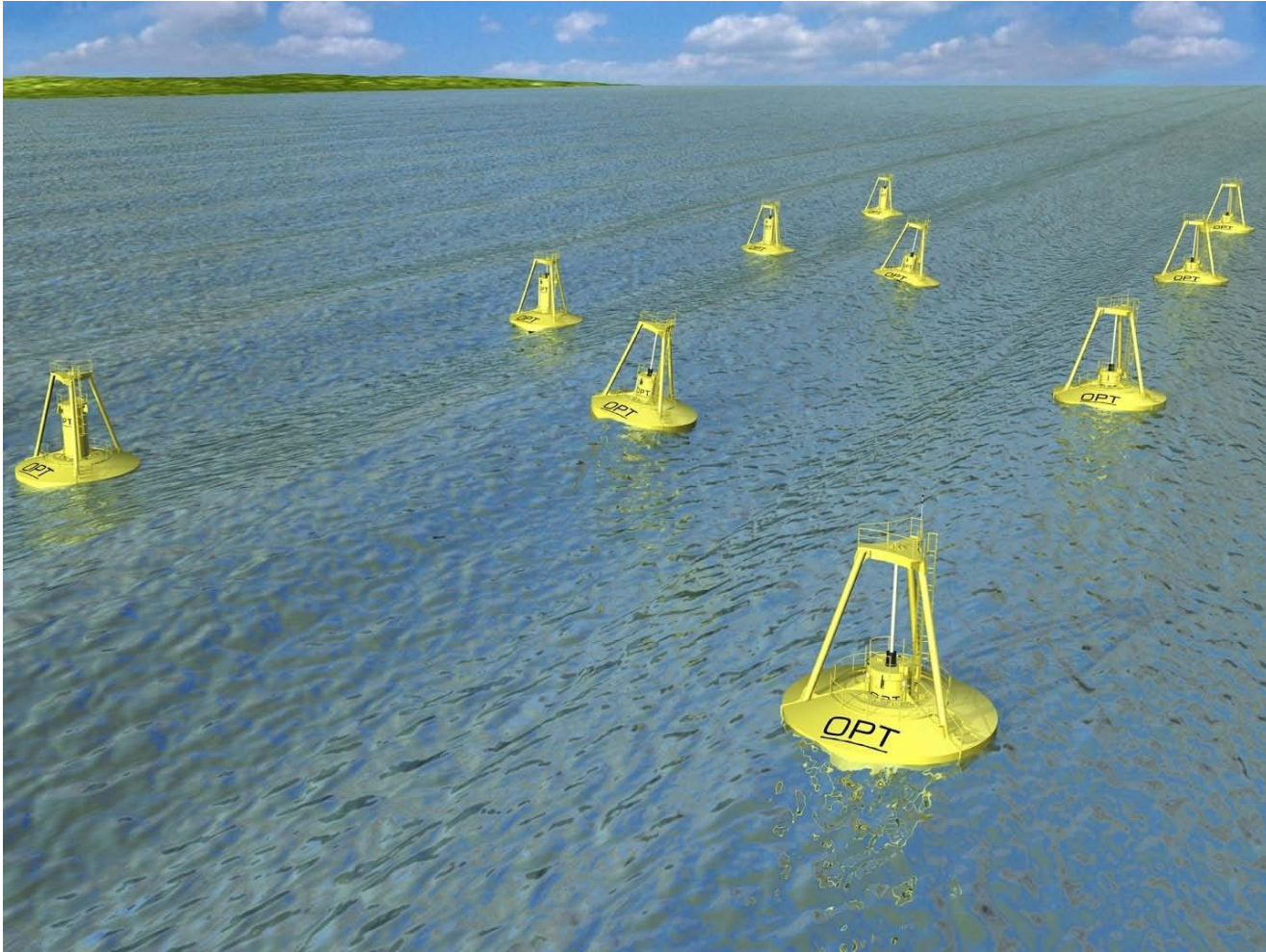
Company Overview

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	\$48.3 million (as of April 30, 2011)
Public Listing	Nasdaq (OPTT)

PowerBuoy and Undersea Substation



Wave Power Station



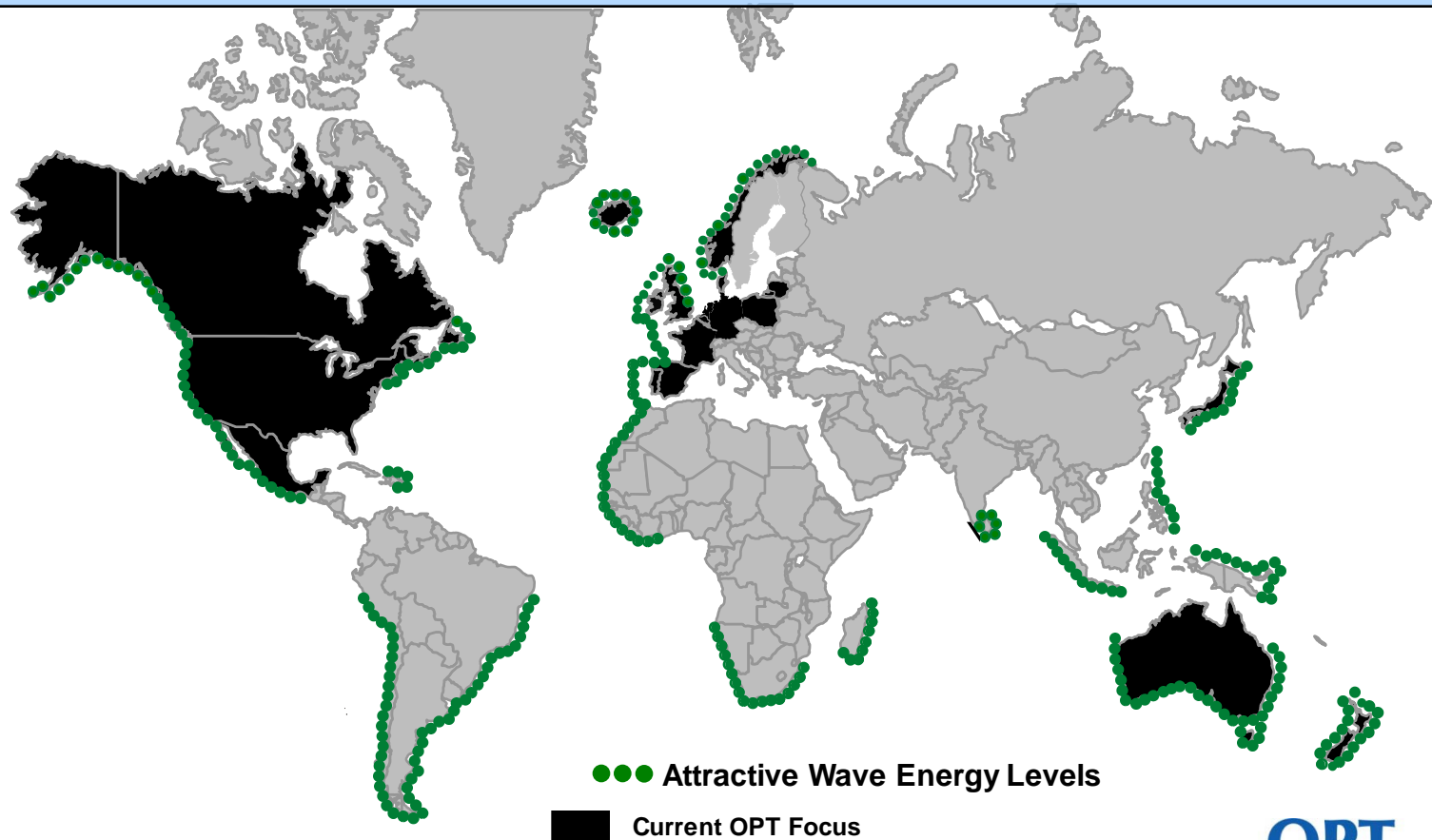
Business Strategy

- Sell turnkey power stations and O&M contracts*
 - Concentrate on North America, Europe, Australia, Japan
 - “Smart part” built at OPT’s facilities; outsource steel fabrication and balance of plant*
 - Maximize customer funding of technology development*
- Accelerate revenue streams from autonomous PowerBuoy systems and marine energy infrastructure services
- Increase utility PowerBuoy system reliability and output from 150kW to 500kW and grow production volumes to improve economics
- Collaborate with other organizations to leverage combined expertise

* Serves to reduce ongoing capital needs

Wave Energy Near Population Centers

2TW of energy -- the equivalent of twice the world's electricity production -- could be harvested from the world's oceans [World Energy Council]



Wave Energy and the Advantages of OPT

Wave energy is the most concentrated form of renewable energy:

- Widespread throughout the US, U.K., Europe & other parts of the world
- Close to population centers
- Predictable & dependable, and can be fed into the power grid or stored
- Relatively small “footprint” – an OPT wave power station requires less than the area of comparable wind

Competitive advantages of using OPT’s PowerBuoy® technology:

- Electronic “tuning” capability to optimize power output in changing wave conditions
- Capacity factor of 30-45% versus solar and wind capacity factors of 10%-35%
- Third party commercial validation
- Environmentally benign & non-polluting
- No exhaust gases, no noise, minimal visibility from shore, safe for sea life
- Scalable to high capacity power stations (100MW+)

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



Market Opportunities

Large Primary Market for Utility PowerBuoys

- Grid-Connected Power Stations for Utilities and IPPs - \$150 Billion worldwide market
- Renewable portion is estimated at \$50 Billion per annum

Applications for Autonomous PowerBuoys

- \$10 Billion estimated worldwide market
- Autonomous applications
 - Homeland Security
 - Off-Shore Platforms
 - Ocean-Based Communications
 - Off-Shore Aquaculture
 - Oceanographic data collection and tsunami warning

Other Opportunities

- Water Treatment and Desalination
- Hydrogen Production

Attractive 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	\$5.8 - 8	\$3 - 6	\$1.5 - 3	\$1.9 - 4.4	\$0.5 - 1.8	\$0.9 - 2.8
Energy Cost ¢ per kWh	15¢	28 - 46¢	12 - 18¢	4 - 9¢	4.8 - 24¢	6.7 - 10.5¢	5.4 - 12¢

Reduction in capital and energy costs can be derived from:

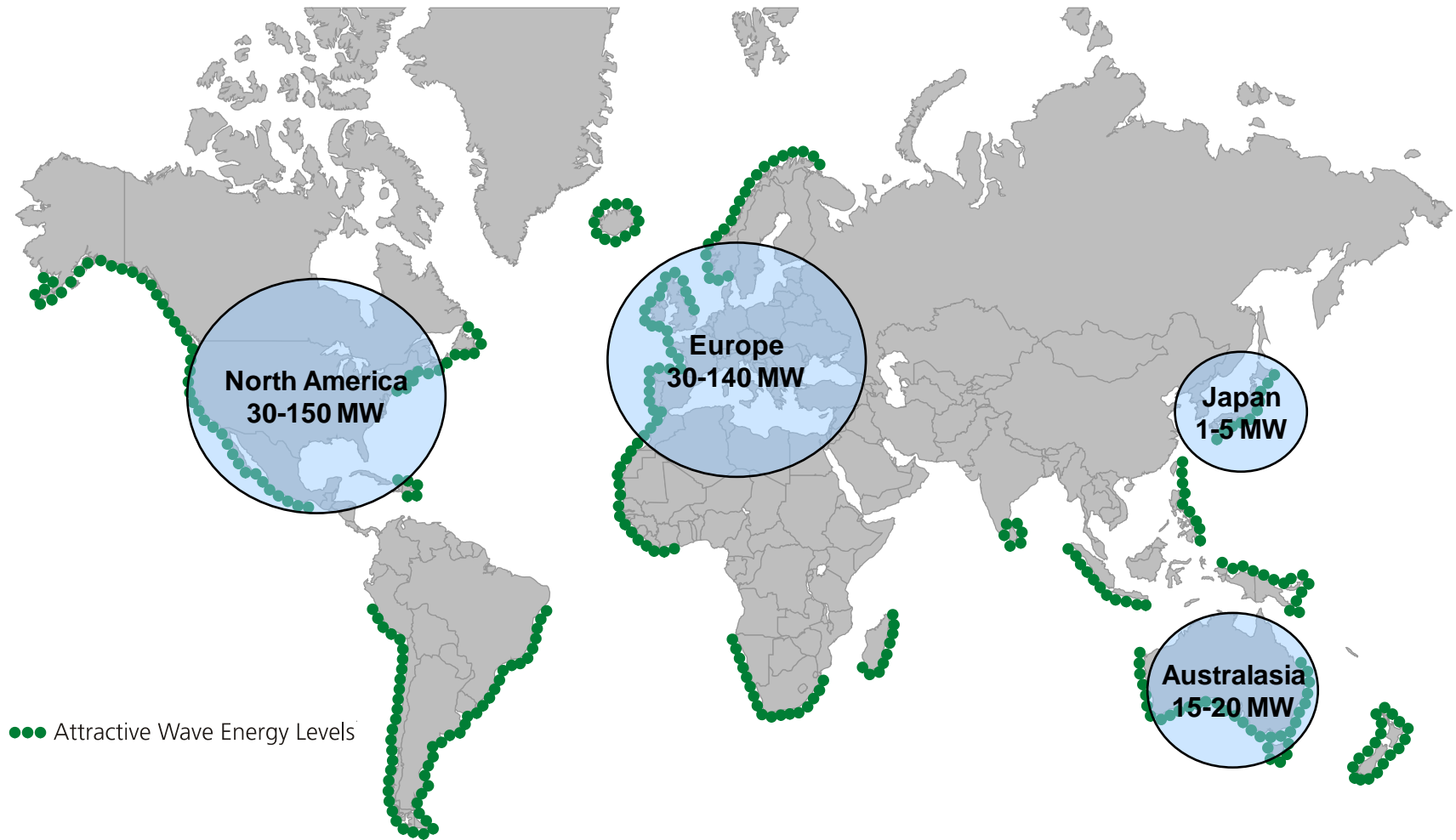
- Tax Credit monetization – e.g. US Production and Investment Tax Credits, Oregon Energy Tax Credit
- Green tags, renewable obligation certificates, carbon credits
- Grants, subsidies, tariffs – e.g. UK Marine Renewables Deployment Fund, Portugal feed-in tariffs

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

Sources:

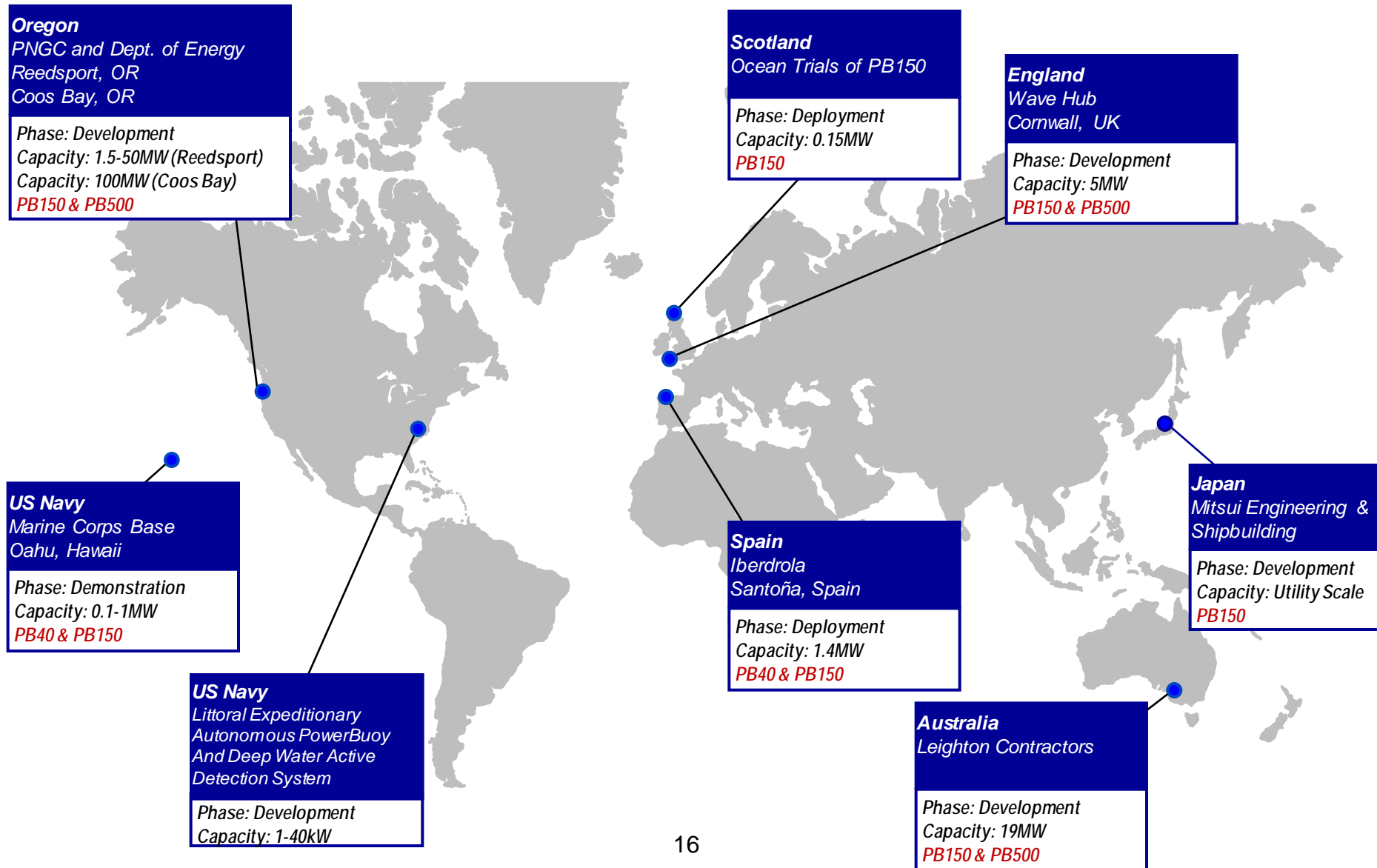
US Solar Market Insight (2nd Quarter 2010) - Solar Energy Industry Association; 2008 Solar Technologies Market Report – US Dept. of Energy; International Energy Bulletin ETE03 (2007); Projected Costs of Generating Electricity, 2010 Edition (International Energy Agency, 2010); and Large Scale Offshore Wind Power in the United States: Assessment of Opportunities and Barriers (NREL, September 2010)

Ongoing Utility Marketing Initiatives



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

Contracts, Partners and Future Projects



Customer Demand Drivers

- Competitive advantages of the PowerBuoy
- Autonomous PowerBuoy is a unique and enabling technology
- Wave energy is the most concentrated form of renewable energy, predictable, close to population centers, with a small “footprint”
- Renewable portfolio standards in many countries and states
- Government-sponsored grants, tax incentives, feed-in tariffs, loan guarantees
- World-wide concern over climate change and the environment

Near-Term Goals

■ Ocean trials of first PB150 off the coast of Scotland

- *Status:* Ocean trials are in progress; report additional data in second half of calendar 2011

■ PB150 for Reedsport, Oregon

- *Status:* Completed construction of steel structure; now conducting cycle testing of PTO. Ready for deployment by end of calendar 2011

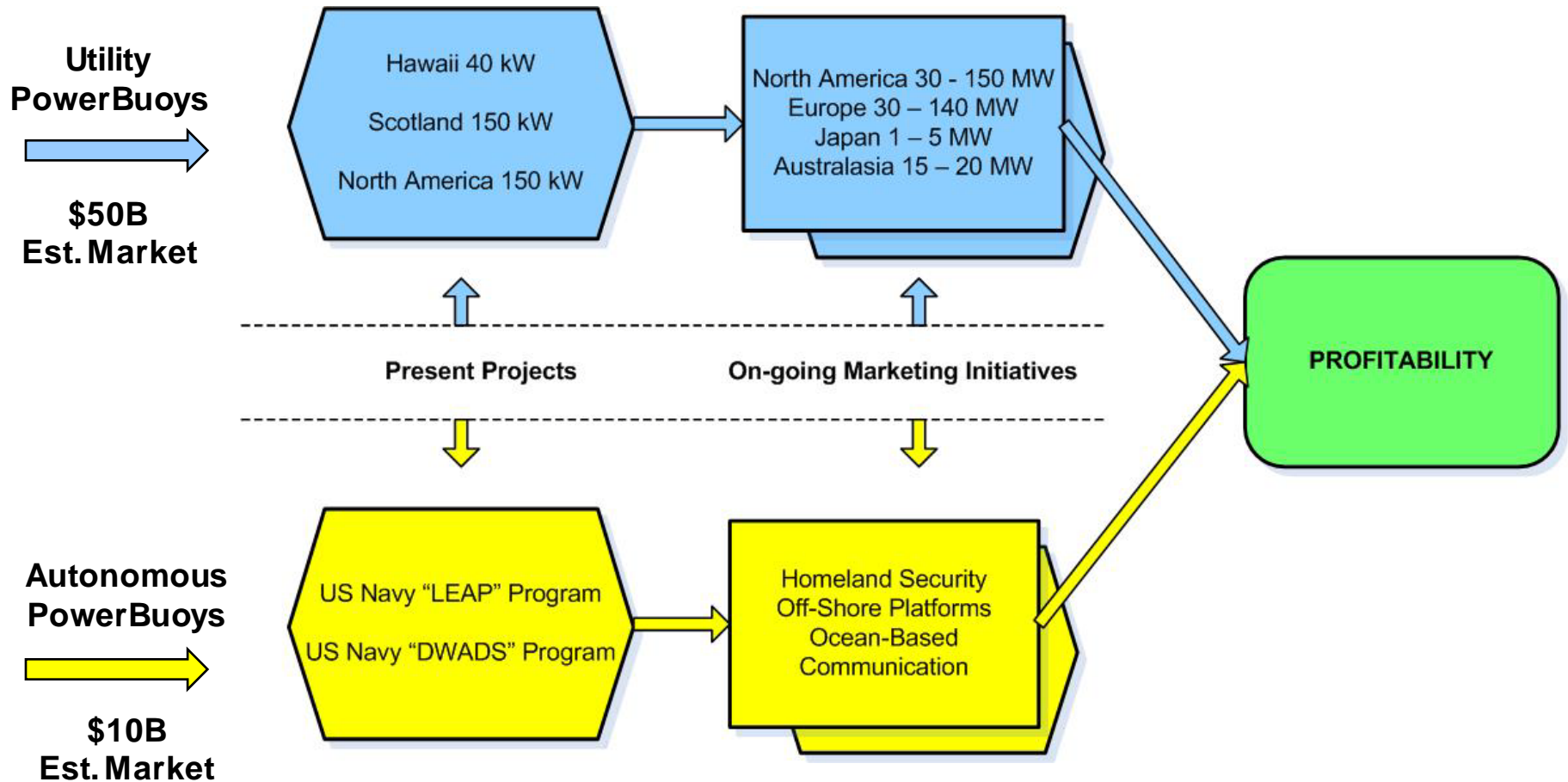
■ Design and build LEAP PowerBuoy structure and test in ocean

- *Status:* Ready for deployment in second half of 2011

■ Business Development Activities

- *Status:* Ongoing discussions in North America, Europe, Australia and Japan.

Multiple Paths to Profitability



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



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Appendix

Recent PowerBuoy Technology Advancements and Project Updates

Scotland Outperforming

PB150 – Scotland

- Attained Lloyd's Register certification of PB150 design
- Ocean trials commenced April 15, 2011
- Achieved average electrical power of 45 kilowatts at wave heights as low as 2 meters, exceeding expectations and verifying that the system can produce average output of 150 kilowatts in higher wave conditions
- Power take-off system performed well
- Capacity factor higher than generally seen in other renewables, such as wind and solar
- Anticipate one to two more months of further testing
- Seeking commercial partner for next phase

PB150 Scotland Deployment



PB150 Scotland Post Deployment



Oregon Moving Towards Deployment

PB150 – Reedsport, Oregon

- Construction of steel structure, power take-off (PTO), and control systems complete
- Land testing of PTO and control system underway and proceeding according to plan
- Expected to be ready for deployment of first phase PB150 by the end of calendar 2011
- Seeking additional project funding toward 10-buoy, 1.5MW wave power station



Ongoing Progress – Hawaii & PB500

■ Hawaii

- First grid-connected wave power system in the US
- On-site since deployment in December 2009
- Active and producing power for over 5 million cycles

■ PB500

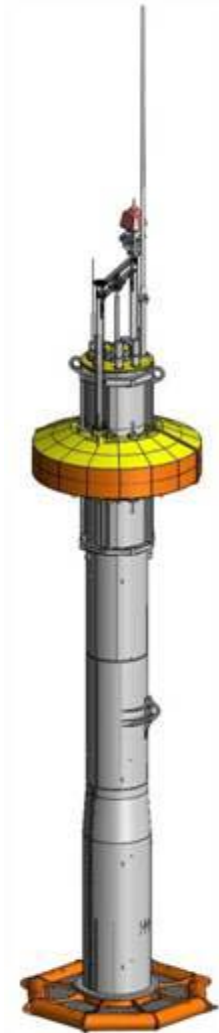
- Concept design well underway
- Wave tank testing performing to plan
- Expected to be ready for ocean trials by end of calendar 2013



LEAP On Track

Littoral Expeditionary Autonomous PowerBuoy

- LEAP program designed to provide wave energy for enhanced homeland security and maritime surveillance
- Now working on final stages of construction of PowerBuoy for US Navy's LEAP program after successfully completing land testing of new power take-off system
- Ocean testing expected to begin in second half of calendar 2011



Japan and Australia

■ Japan

- Working with Mitsui Engineering & Shipbuilding to finalize development of mooring system for wave power station deployments off Japan
- 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
- Offers excellent long-term opportunity for expansion to larger-scale wave power station