



OPT Files Watershed Application for 50MW Oregon Wave Energy Project

July 24, 2006

Ocean Power Technologies, Inc ("OPT", or the "Company") (London Stock Exchange: AIM-OPT) is pleased to announce that it has filed an application for a permit to the US Federal Energy Regulatory Commission (FERC) for a 50MW wave power generation project in Oregon, USA. The application is for the first utility scale wave power project in the US.

As part of the initial programme for the OPT Wave Park to be located at Reedsport, the Company expects to install its ocean-tested PowerBuoys™ initially generating a total of 2MW approximately 2.5 miles off the coast at a depth of 50 metres. Approval for the full-scale 50 MW wave power plant following completion of the initial programme is expected to result in significant investment and creation of jobs in the state of Oregon.

Dr. George Taylor, Chief Executive Officer of OPT, said: "This application to FERC represents a major step in the development of OPT's wave power projects in the US for large scale electricity generation. When completed, this plant will provide renewable power into the grid supplying the West Coast of the US. It is very encouraging to note that the state of Oregon has taken a very proactive role in the development of wave energy, under the leadership of its Governor."

The Company has already consulted key stakeholder groups about its plans and will continue to work closely with these groups over the initial stages of the project. A key strength of the PowerBuoy™ system is its compact nature and low visual impact.

OPT's PowerBuoy technology was cited in recent US Congressional hearings in support of increasing funding for ocean energy demonstration programmes. US Representative Inslee (D-Washington) proposed an amendment to the Deep Ocean Energy Resources (DOER) Act which would increase the funding for ocean energy demonstration programs from \$6 million to \$20 million per year. Mr. Inslee, in a June 29, 2006 speech, referred to OPT's Hawaii project by saying "In Hawaii we have a wave power system that is generating electricity for the United States Navy, a very ingenious product ... that bobs up and down just underneath the surface of the ocean... and generates electricity."

US Representative Rush Holt (D-New Jersey) supported Mr. Inslee's remarks regarding OPT's PowerBuoy by saying: "The Buoys are located well offshore. They are invisible to residents from the coast line. There are, of course, still questions to be resolved, still technologies to be developed; but the basic technology to harness the ocean's power already exists."

For further information, please contact:

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Background Information

Ocean Power Technologies, Inc.

OPT is the world's first publicly listed wave power company. It is commercialising its proprietary technology for the generation of electrical power using the energy of ocean waves. OPT's wave energy systems are based on modular, buoy-like structures, called PowerBuoys™, which are "intelligent" systems capable of responding to differing wave conditions. The Company's ocean-tested systems have the potential to provide cost competitive, clean electrical power on a large scale without the enhancements of tax credits or subsidies. For further information, see the Company's website: www.oceanpowertech.com.