



Ocean Power Technologies Installs Hawaii Wave Power System

June 18, 2004

Pennington, NJ, June 18, 2004 – Ocean Power Technologies, Inc. (LSE:AIM-OPT) announced today that it has installed one of its PowerBuoy™ units near Kaneohe Bay in the State of Hawaii. This deployment is part of the first phase of the Company's contract from the US Navy, for installation of a 1 Megawatt PowerBuoy wave power station off Marine Corps Base Hawaii at Kaneohe Bay ("MCBH") on the island of Oahu. Over the next several months full-scale testing of the system will be conducted.

Construction of the PowerBuoy system was performed primarily by Hawaiian fabricators. The deployment was supported entirely by local diver and workboat subcontractors. This included tow-out of the PowerBuoy to the deployment site, and the connection of the system to the anchor located on the sea bottom. According to Don Rochon, spokesperson for the Pacific Division of the Naval Facilities Engineering Command, "OPT and the Navy have a shared commitment to this program for the operation of OPT's wave power systems in Hawaii. This partnership, which includes local subcontractors, is focused on demonstrating the use of OPT's wave power systems to provide renewable power to the Marine Corp Base."

The PowerBuoy is located approximately one kilometre off the coast, in 30 metres of water, and is initially rated for production of 50 kilowatts of electrical power. Compact and modular in design, the system resembles an ocean-going buoy and is less than 5 metres in diameter and 15 metres long. It is based on OPT's proprietary design and is positioned below the sea surface with minimal visual impact.

Prior to the installation, the planned OPT wave power station underwent an extensive environmental assessment by independent engineers in accordance with the National Environmental Policy Act (NEPA). This study featured evaluation of potential impacts on the seabed; fish, organisms and mammals; vegetation; and sea quality. Following the issuance of these reports, a Finding of No Significant Impact was promulgated. Dr. George W. Taylor, Chief Executive Officer of Ocean Power Technologies, Inc. ("OPT") stated, "The issuance of the favorable environmental assessment of OPT's system by an independent group represents an important benchmark for the Company's technology. While the assessment process caused a delay in the program, the benefit of this achievement is expected to shorten the time for future environmental permitting. Our Navy customer has a strong commitment to preserving the natural beauty of Hawaii, and we believe that the rigorous evaluation procedures will apply to other parts of our environmentally-conscious world."

Dr. Taylor continued, "The planning and execution of this deployment was superb. It reflects the efforts of a talented team including OPT's engineers, Hawaii-based subcontractors and Navy and Marine Corps personnel." The successful installation techniques also drew on OPT's test experience in prior years off the coast of New Jersey. The OPT PowerBuoy was towed to the deployment site by a standard commercial tugboat, and the system was then fully deployed within three hours. Taylor concluded, "This simple and fast deployment process is expected to facilitate the building of future, large-capacity wave power stations."

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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.oceanpowertechnologies.com. News release/Jun 2004_Hawaii.doc