



Ocean Power Technologies Selects Oregon Iron Works to Build Commercial Wave Energy Device

December 4, 2009

Contract award marks the start-up of the first commercial wave energy station in North America

CLACKAMAS, Ore.--(BUSINESS WIRE)--Dec. 4, 2009-- Ocean Power Technologies, Inc. (Nasdaq: OPTT and London Stock Exchange AIM: OPT) ("OPT" or the "Company") announces that it has selected Oregon Iron Works ("OIW") of Clackamas to begin construction of its first commercial wave energy PowerBuoy® system in North America, to be installed off the Oregon coast near Reedsport. Oregon Iron Works is an Oregon company with an emerging reputation as an international leader in "green tech" manufacturing. The partnership is the direct result of Oregon Governor Ted Kulongoski's leadership in bringing green jobs and renewable energy to the Oregon economy and his commitment to the responsible development of wave energy as a commercially viable renewable energy source.

Construction of this first PowerBuoy system represents Phase One of an expected 10-PowerBuoy Reedsport wave power station, the first commercial-scale facility of its type in North America, which will generate approximately 1.5 megawatts of electricity. The nine additional PowerBuoys will be constructed and installed under Phase Two of the project.

Governor Kulongoski joined Mark Draper, CEO of OPT, and Terry Aarnio, Chairman, Oregon Iron Works, and Reedsport Mayor Keith Tymchuk, in celebrating the announcement at the Oregon Iron Works Clackamas facility.

OPT and OIW estimate that construction of the first PowerBuoy PB150 wave energy device, rated at a capacity of 150 kilowatts, will create or sustain approximately 30 jobs over the next nine months. Another Oregon company headquartered on the Oregon south coast, Sause Bros., is intended to play a key role in transporting and deploying the buoy by barge.

PNGC Power, a regional generation and transmission public electric power cooperative, may purchase some of the electricity on behalf of their Northwest customers. PNGC has provided partial funding for Phase One of the Reedsport project. It is estimated that completion of the two-phase project will create or sustain over 150 people in the fabrication, assembly, installation and maintenance of the Reedsport power station.

"The partnership that we are developing with OPT and other Oregon companies fits perfectly with our goal of providing jobs for Oregon's green economy," said Governor Kulongoski. "It's exciting to see that Oregon has the chance to play a leading role in the development of this global industry and help achieve our national goals of energy security and reduction of our dependence on fossil fuels."

Mark Draper, CEO of OPT, said: "OPT has identified the Oregon Coast as one of the world's top sources for future wave energy development, and Governor Kulongoski's leadership has helped to enable the realization of its potential to create green jobs and prosperous coastal communities. We are committed to responsible development of renewable energy resources, and look forward to playing our part in that positive future."

As announced previously, OPT is in the advanced stages of completing its first PB150 in the UK for deployment in the Orkneys, Scotland mid next year. The technology development for this device will also be applied for projects in North America.

"Our workers are helping the Pacific Northwest become the center of excellence in green tech/clean tech manufacturing and we are proud to continue that tradition of leadership in American manufacturing by building the world's best renewable ocean energy devices for OPT," said Terry Aarnio, Chairman, Oregon Iron Works. "This project demonstrates that Oregon intends to enhance its environmental reputation by building an economy on the leading edge of the green wave", added Aarnio.

Description of the Reedsport Power Station Project

The PowerBuoy PB150, which is the result of more than 15 years of research and development, uses the rise and fall of waves to move the buoy up and down and drive an electric generator inside the buoy. The electricity is then conditioned and transmitted ashore as high-voltage power via an underwater cable. The Reedsport wave power station will be located approximately 2.5 miles off the coast and connect directly to the Bonneville Power Administration's Gardiner Substation. PNGC Power has signed an agreement with OPT and may purchase some of the electricity generated in Phase Two of the project. OPT plans to place a total of up to ten PB150 units at Reedsport over the next two to three years, with funding from the Department of Energy, federal and Oregon state tax credits, and investment from OPT and other companies. Most of the buoy will sit below the ocean's surface, making the device nearly invisible from the shoreline.

Forward-Looking Statements

This release may contain "forward-looking statements" that are within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the Company's current expectations about its future plans and performance, including statements concerning the impact of marketing strategies, new product introductions and innovation, deliveries of product, sales, earnings and margins. These forward-looking statements rely on a number of assumptions and estimates which could be inaccurate and which are subject to risks and uncertainties. Actual results could vary materially from those anticipated or expressed in any forward-looking statement made by the Company. Please refer to the Company's most recent Form 10-K for a further discussion of these risks and uncertainties. The Company disclaims any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this release.

About Ocean Power Technologies

Ocean Power Technologies, Inc. (Nasdaq: OPTT and London Stock Exchange AIM: OPT) is a pioneer in wave-energy technology that harnesses

ocean wave resources to generate reliable, clean and environmentally-beneficial electricity. OPT has a strong track record in the advancement of wave energy and participates in a \$150 billion annual power generation equipment market. The Company's proprietary PowerBuoy® system is based on modular, ocean-going buoys that capture and convert predictable wave energy into low-cost, clean electricity. The Company is widely recognized as a leading developer of on-grid and autonomous wave-energy generation systems, benefiting from over a decade of in-ocean experience. OPT's technology and systems are insured by Lloyds Underwriters of London. OPT is headquartered in Pennington, New Jersey with offices in Warwick, UK. More information can be found at www.oceanpowertechnologies.com.

About Oregon Iron Works

Oregon Iron Works, Inc. is a world-class complex metal fabricator and systems integrator, with precision machining capabilities. OIW works with various industries, including marine, ocean renewable energy, aerospace, hydroelectric, nuclear, bridge, commercial, and defense manufacturing. OIW has extensive experience in all levels of metal fabrication, from custom design and prototype development to large-scale production, outfitting, and testing. Founded in 1944 in Portland, OR, this innovative small business has been under the same management since 1974. It has nearly 400 employees and is now headquartered in Clackamas, OR with additional manufacturing facilities in Vancouver, WA. More information is available at www.oregoniron.com

About PNGC Power

Information is available for PNGC Power at www.pngcpower.com

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