



Ocean Power Technologies Executes Memorandum of Understanding with State of Oregon

December 8, 2009

PENNINGTON, N.J., Dec 08, 2009 (BUSINESS WIRE) -- Ocean Power Technologies, Inc. (Nasdaq: OPTT and London Stock Exchange AIM: OPT) ("OPT" or the "Company") announces the signing of a Memorandum of Understanding ("MOU", or "Agreement") with the State of Oregon. The purpose of the MOU is to set forth an approach for developing wave power projects within the coastal waters of Oregon.

The Agreement outlines important principles for the potential development of future wave power facilities in Oregon. These principles will be first applied to the development of OPT's Coos Bay Project in Oregon. Under a Preliminary Permit, which OPT has received from the Federal Energy Regulatory Commission ("FERC") the Company is studying the feasibility of building an OPT Wave Power Station near Coos Bay, in phases up to 100 MW. The project is in the initial stages of public and agency review.

Under the Agreement, OPT will participate in a settlement and adaptive management process for the Coos Bay Project in accordance with Oregon's Territorial Sea Plan. In that process, OPT will consult with various project stakeholders at the Federal, State, county and local levels, and commit to responsible development in Oregon's renewable energy resources. The State will work as a partner with OPT to encourage the development of renewable energy by identifying the best locations for future wave power facilities.

Commenting on the MOU, Oregon Governor Ted Kulongoski stated: "I believe that the Agreement between Oregon and OPT provides a foundation for moving forward in a manner that is respectful of existing ocean uses and values, while helping Oregon transition to an independent renewable energy future. In particular, I welcome OPT as the first commercial developer of wave power stations in Oregon. OPT is investing substantial resources in Oregon and providing expertise to help Oregon achieve its desired goal of becoming a world leader in responsible commercial development of wave energy. The major portion of its wave power stations will be manufactured in Oregon, creating important "green" jobs in this exciting new industry."

OPT is building its first US commercial scale wave power station off the coast of Reedsport, Oregon. The expected 1.5 MW project will be developed in two phases. The first phase will install a single PowerBuoy, which is in construction, plus underwater electrical infrastructure. The second phase will install up to another nine PowerBuoys and then connect them to the onshore power grid.

"Building the Phase 1 PowerBuoy with Oregon workers will provide immediate jobs in steel fabrication at Oregon Iron Works ("OIW") in addition to leading to additional jobs in coastal communities, such as for assembly, installation, moorings and recurring maintenance of the wave power station over the many years of its operation. The initial fabrication and machining will create or sustain direct jobs for over 30 people at OIW as well as numerous other jobs for subcontractors and vendors", said Dr. George W. Taylor, Executive Chairman of OPT.

Dr. Taylor continued, "Building and deploying the additional PowerBuoys for a total capacity of 1.5 MW in Phase 2 is estimated to employ over 150 people. When we take account of the totality of wave power developments that OPT is contemplating in the western states, including Reedsport and Coos Bay in Oregon, literally thousands of jobs could eventually be created or sustained."

Governor Kulongoski demonstrated his commitment to building community and stakeholder understanding and support for the Reedsport wave energy facility by designating it as an "Oregon Solutions" project. This has streamlined the permitting and collaboration among the federal, state, county and local stakeholders. OPT has obtained funding for the project from the US Department of Energy and PNGC Power, a regional generation and transmission public electric power cooperative. These funds are expected to be supplemented by federal tax credits, and by State of Oregon Business Energy Tax Credits, plus additional investment from OPT and Oregon-based companies. PNGC Power has signed an agreement with OPT to assist in development of the Reedsport project, and may purchase some of the electricity generated in Phase 2 of the project.

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(R) 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.



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