



Ocean Power Technologies Awarded FERC License For Oregon Wave Power Station

August 20, 2012

License is the first to be issued for a wave power station in the United States

PENNINGTON, NJ--(BUSINESS WIRE)--Aug. 20, 2012-- Ocean Power Technologies, Inc. (Nasdaq: OPTT) ("OPT" or "the Company") today announced that its wholly-owned Oregon subsidiary, Reedsport OPT Wave Park, LLC, has received approval from the U.S. Federal Energy Regulatory Commission ("FERC") for the full build-out of its planned 1.5 megawatt, grid-connected wave power station off Reedsport, Oregon.

This is the first FERC license for a wave power station issued in the United States and provides an important regulatory approval for the deployment of up to ten (10) OPT devices generating enough electricity for approximately 1,000 homes. Construction of the initial PowerBuoy® is nearing completion and it is expected to be ready for deployment about 2.5 miles off the Reedsport coast later this year. OPT has received funding for this first system from the U.S. Department of Energy, with the support of the Oregon Congressional delegation, and from PNGC Power, an Oregon-based electric power cooperative.

Specifically, FERC has granted a 35-year license for grid-connected, wave energy production. This follows an extensive process of environment assessment, notifications to the public, assessment of Federal and State regulations, and consideration of a broad array of comments, recommendations and terms and conditions.

Charles F. Dunleavy, Chief Executive Officer of OPT, stated, "The issuance of this license by FERC is an important milestone for the U.S. wave energy industry as well as for OPT. It represents the culmination of thorough due diligence and consideration of input from a broad array of groups interested in our Reedsport project. The 35-year term of the license demonstrates the commercial potential of wave power, and this will support initiatives to secure financing for the project. We appreciate the efforts of many who have assisted us during this licensing process, and who recognize its positive significance for the economy and environment of Oregon as well as its coastal communities."

In August 2010, OPT announced that it had signed a groundbreaking Settlement Agreement ("SA") with 11 federal and Oregon state agencies and three non-governmental stakeholders for its utility-scale wave power project at Reedsport. FERC gave strong consideration to the agreements set forth in the SA in determining key provisions of the license. The SA supports the responsible, phased development by OPT of a 1.5 megawatt wave energy station in a manner that protects ocean resources and stakeholder interests. It covers a broad array of resource areas including aquatic resources, water quality, recreation, public safety, crabbing and fishing, terrestrial resources, and cultural resources. The SA includes an innovative Adaptive Management Plan that will be used to identify and implement environmental studies that may be required, and to provide a blueprint for the application of this new information as the wave power station develops.

After the initial PowerBuoy is deployed, OPT plans to construct the balance of the wave power station, consisting of up to nine additional PowerBuoys and grid connection infrastructure, subject to receipt of additional funding and all necessary regulatory approvals.

About Ocean Power Technologies

Ocean Power Technologies, Inc. (Nasdaq: OPTT) is a pioneer in wave-energy technology that harnesses ocean wave resources to generate reliable and clean and environmentally-beneficial electricity. OPT has a strong track record in the advancement of wave energy and participates in an estimated \$150 billion annual power generation equipment market. OPT's proprietary PowerBuoy® system is based on modular, ocean-going buoys that capture and convert predictable wave energy into clean electricity. The Company is widely recognized as a leading developer of on-grid and autonomous wave-energy generation systems, benefiting from 15 years of in-ocean experience. OPT is headquartered in Pennington, New Jersey, USA with an office in Warwick, UK, and operations in Melbourne and Perth, Australia. More information can be found at <http://www.oceanpowertechnologies.com>.

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 Forms 10-Q and 10-K and subsequent filings with the SEC 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.

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