New Products and Commercial Update

November 2018

Nasdaq: OPTT
Forward Looking Statements

In addition to historical information, this presentation contains forward-looking statements that are within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are identified by certain words or phrases such as "may", "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions. These forward-looking statements are based on assumptions made by management regarding future circumstances over which the company may have little or no control and involve risks, uncertainties and other factors that may cause actual results to be materially different from any future results expressed or implied by such forward-looking statements. Some of these factors include, among others, the following: future financial performance; expected cash flow; ability to reduce costs and improve operational efficiencies; revenue growth and increased sales volume; success in key markets; competition; ability to enter into relationships with partners and other third parties; delivery and deployment of PowerBuoys™ and other products and services; increasing the power output of PowerBuoys™; hiring new key employees; expected costs of company products; and building customer relationships. Please refer to our most recent Forms 10-Q and 10-K and subsequent filings with the SEC for a further discussion of these risks and uncertainties. We disclaim any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this presentation.
Ocean Power Technologies – who we are...

Market Statement:
“OPT is a manufacturer of distributed offshore power equipment which provides persistent, reliable and economical power and communications for remote offshore topside and subsea applications.”
New Facility
Monroe Township, NJ
### Products and Services

<table>
<thead>
<tr>
<th>PB3 PowerBuoy™</th>
<th>Support Services</th>
<th>hybrid PowerBuoy™</th>
<th>Under Development</th>
<th>Anchorless PowerBuoy™</th>
<th>Integrated Mooring</th>
</tr>
</thead>
</table>
| • Longer Deployments  
• Persistence  
• Low Maintenance  
• Sustainability | • Customization  
• Packaged Options  
• Innovation Services  
• Marine Services | • Shorter Deployments  
• High Energy Storage  
• Low Maintenance  
• Modular / Scalable | • Shorter Deployments  
• Low Maintenance  
• Complements PowerBuoy™ | • Advanced Design  
• Self Propelled  
• Quick Deploy  
• Defense Focus | • Combined power and comms  
• Quick installation |

Fully Commercial Today

Under Development

hybrid PowerBuoy™

• Shorter Deployments  
• High Energy Storage  
• Low Maintenance  
• Modular / Scalable
Hybrid PowerBuoy™

• Over 1,000 kW (1+ MegaWatt) energy capability
• Compact, lightweight, and easy to deploy
• “Hot-swap” instead of refueling at sea
• Scalable for higher-powered applications
• Quick/easy shipment to remote locations
Hybrid PowerBuoy™

Applications:

- Subsea battery recharging
- Short-duration ROV and AUV deployments
- Topside surveillance applications
- Emergency backup and auxiliary power
- Ocean monitoring, weather stations, sensor power
- Modular chemical injection
Subsea Battery Solutions

• High performance/cost efficient power
• Quick and easy to deploy and retrieve
• Insensitive to severe weather conditions
• Modular components - wide range of capabilities
• Proven and robust technology components
Anchorless PowerBuoy™

• Self-propelled – no anchor needed!
• Self contained – no external moving parts
• Remotely operated smart device
• Quick deploy and simple retrieve
• Liquid-fueled back-up
• Leverages OPT ocean-proven designs & capabilities
Mooring Systems

- SUB SURFACE BUOY
- BRIDLE
- ANCHOR SYSTEM
- UMBILICAL
Marketing Plan and Philosophy

- Building backlog
- Leveraging projects
- Products and services
- Sales versus rentals
Current orders

O&G PB3
Contract
Eni S.p.A.
– March ‘18

O&G PB3
Contract
Premier Oil
– June ‘18

Services
Contract
Enel
– August ‘18
Target Market Buying Process

- **Non-disclosure agreements, front-end engineering design (FEED) studies**
- **Budgetary estimates, technical proposals, contract negotiations**
- **Initial demonstration projects, rental/service revenues, “try before you buy”**
- **New/repeat customers, multiple PowerBuoy™ purchases revenue backlog generation**

**Revenue Stream**

**Launch Customers**

**Proposals**

**Project Scoping**
Transaction Economics

Base PowerBuoy™ + Value-Added Engineering + Support Services

- Sale or Lease
- Packaged Options
- Customization
- Integration Services
- Marine Services
- Remote Monitoring
- Extended Service Agreements
Project economics

**PowerBuoy RENTAL and Services**
Example sequential payment milestones (% contract revenues recognized) and timing

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Timing</th>
<th>Revenues Recognized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract</td>
<td>1 to 3 months</td>
<td>0%</td>
</tr>
<tr>
<td>Design / Customize</td>
<td>1 to 2 months</td>
<td>10%</td>
</tr>
<tr>
<td>Integrate / Test</td>
<td>1 to 2 months</td>
<td>20%</td>
</tr>
<tr>
<td>Ship</td>
<td></td>
<td>30%</td>
</tr>
<tr>
<td>Deploy</td>
<td>0 to 2 months</td>
<td>40%</td>
</tr>
<tr>
<td>Monthly Rent (60% divided by # months)</td>
<td>3 to 18 months</td>
<td>50% 60% 70% 80% 90% 100%</td>
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</tbody>
</table>

Cumulative % Revenues Recognized

**PowerBuoy SALE and Services**
Typical preferred sequential payment milestones (% contract revenues recognized) and timing

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Timing</th>
<th>Revenues Recognized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract</td>
<td>1 to 6 months</td>
<td>10%</td>
</tr>
<tr>
<td>Procure / Build (35%)</td>
<td></td>
<td>45%</td>
</tr>
<tr>
<td>Integrate / Test / Acceptance (15%)</td>
<td>1 to 3 months</td>
<td>60%</td>
</tr>
<tr>
<td>Ship (30%)</td>
<td>1 to 2 months</td>
<td>90%</td>
</tr>
<tr>
<td>Deploy (10%)</td>
<td>0 to 2 months</td>
<td>100%</td>
</tr>
</tbody>
</table>

Cumulative % Contract Revenues Recognized
Opportunity Pipeline

50 Active Opportunities through FY21

➢ $35 Million Potential Revenues

➢ 75% Offshore Oil & Gas
  ▪ ~50% Subsea Charging
  ▪ ~40% Surveillance & Monitoring
  ▪ ~10% Other

➢ $10 million in proposals issued toward FY19 backlog
Summary

• Robust markets
• Innovative solutions
• Growing demand
• Expanding patent portfolio
• Strengthening delivery capabilities
For more information, contact:

Michael Porter, President
Porter, LeVay & Rose
Ocean@plrinvest.com
(212) 564-4700
www.oceanpowertechnologies.com

Thank You