

NEWS RELEASE

Ocean Power Technologies, Inc.
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For Immediate Release

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AWARD OF OPERATION AND MAINTENANCE CONTRACT FOR WAVE FARM IN SPAIN

Ocean Power Technologies, Inc ("OPT", or the "Company") (London Stock Exchange:AIM-OPT) is pleased to announce the signing of an operation and maintenance (O&M) contract for the first phase of the OPT wave power station to be constructed off the coast of the Cantabria region in northern Spain. The Company believes that this represents the first O&M contract awarded for a wave power station.

The O&M contract follows the signing of the engineering, procurement and construction (EPC) contract at the end of July 2006 for a wave energy plant using OPT's patented PowerBuoy® technology. The EPC contract provides for the 'turnkey' construction and installation of a grid connected PowerBuoy system. Under the O&M agreement, OPT will be paid for the operation and regular maintenance of the wave energy plant for up to 10 years.

With Iberdrola S.A. as its major shareholder, a special purpose company was established to provide renewable wave energy to the Spanish grid. The entity will purchase the power station from OPT and has entered into this O&M contract. Other shareholders of the new company include Total S.A., OPT, the industrial development agency of the Spanish region of Cantabria, and the energy agency of the government of Spain.

Dr. George W. Taylor, Chief Executive Officer of OPT, said: "We are delighted to be awarded this O&M contract for OPT's first wave power project in Europe. Signing this O&M contract is consistent with our company's commercial business strategy of supplying wave power stations and related operation and maintenance services. These services will ensure effective and efficient extended performance of our PowerBuoy systems, as well as provide long-term revenue streams to the Company."

Mark Draper, Chief Executive of Ocean Power Technologies Ltd, the Company's European group which is managing the project, said, "The O&M agreement confirms the strong local foundation OPT has established with Iberdrola and our other Spanish partners, from which we aim to build several more OPT PowerBuoy wave power stations in Spain."

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Ocean Power Technologies

Ocean Power Technologies, Inc. develops and is commercializing proprietary systems that generate electricity by harnessing the renewable energy of ocean waves. The Company's PowerBuoy® system is based on modular, ocean-going buoys, which have been ocean tested for nearly a decade.