

14th January 2007

World first for Irish company as OpenHydro completes tidal turbine installation at European Marine Energy Centre in Orkney

OpenHydro Group Ltd., an Irish energy technology company whose business is the design and manufacture of marine turbines for generating renewable energy from tidal currents, completed the installation of the first tidal turbine at the European Marine Energy Centre (EMEC) in Orkney, Scotland. This project was supported by Sustainable Energy Ireland.

The Group will deploy farms of tidal turbines under the world's oceans silently and invisibly generating electricity at no cost to the environment. It is conservatively estimated that this new global tidal energy market will be worth well in excess of € 10 billion per annum.

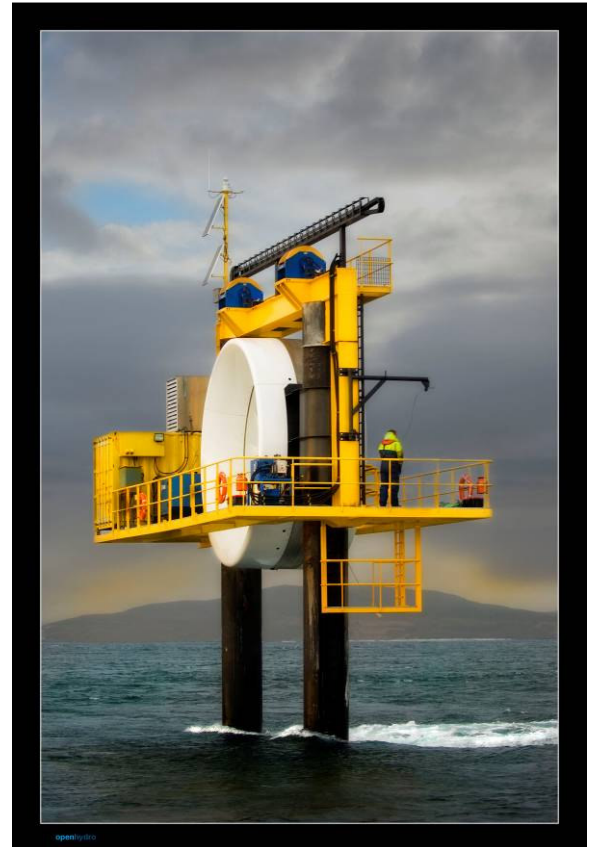
The Open-Centre Turbine is the first tidal technology to reach the stage of permanent deployment in the Atlantic Ocean and it is the accumulation of 10 years design and development work.

Financed through UK Government and public sector funding, EMEC provides the only facilities in the world for testing tidal and wave technologies. OpenHydro is the only company to have installed a tidal turbine at EMEC's test facility, off the island of Eday, Orkney. This will be the UK and Ireland's first grid connected tidal turbine.

OpenHydro's commercial deployments will be mounted on the seabed where no part of the structure will be visible from the surface and will be deep enough not to interfere with shipping traffic.

The turbine in Orkney has been installed between a twin monopile structure enabling the unit to be raised and lowered. This structure will allow OpenHydro to test future generations of the Open-Centre Turbine at minimal cost.

Commenting on the EMEC installation, Brendan Gilmore, Chairman of OpenHydro, said: "Having negotiated the world rights to the Open-Centre Turbine technology during 2004, this programme of work brings the company to its goal of being the leading technology for installing tidal energy farms on a global basis. Tidal energy, as world government agencies have recognised, will make a major contribution to reducing our dependence on fossil fuels. It will also be an enormous asset to Ireland and the UK - significantly reducing their dependence on fossil fuel importation."



OpenHydro's turbine test rig at European Marine Energy Centre in Orkney, Scotland.

Chief Executive, James Ives commented; “Tidal energy sets itself apart from other forms of renewable energy in that it is completely predictable. It is the fastest growing emerging technology in the renewable energy sector and is set to make a major contribution to the security of energy supply and to carbon free energy generation.”

Neil Kermod, Managing Director of EMEC commented; “We are delighted that OpenHydro have now completed the installation of their tidal turbine at EMEC. This is the start of an exciting new chapter in the development of marine renewables and we look forward to playing our role in the development of technology that can provide a clean, sustainable source of power from the seas around us.”

OpenHydro will now begin a period of testing the turbine at EMEC which is scheduled to last several months.

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Note to Editors

OpenHydro was formed in 2004 following the acquisition of the world technology rights to the Open-Centre Turbine.

OpenHydro’s technology is based on the unique Open-Centre Turbine that converts the movement of water directly into electricity. Advantages of generating electricity using this technology include:

- The electricity produced is completely renewable since it relies on tidal currents that are created by the gravitational effect of the sun and moon on the world’s oceans.
- Whereas other forms of renewable energy are dependent on the weather conditions that day (e.g., the amount of wind or a clear sky), tidal energy is completely predictable giving the electricity produced a premium value.
- Since the turbines are located beneath the surface, they are protected from storm damage and cannot be seen or heard. The design is considered to have no impact on marine mammals since it has no oils which can leak, no exposed blade tips and a significant opening at its centre.
- Due to the density of water, a relatively small turbine can produce the same power as a much larger wind turbine.

Key Personnel

- **Brendan Gilmore FCA AITA (Chairman)** – Proven track record of acquiring and developing successful businesses. Has held positions including Chairman and Chief Executive of a UK PLC. Amongst other significant interests has managed his own financial consultancy for over 20 years and held major investments

in the hotel and property sector and was formerly a partner for some 12 years in a major chartered accountancy practice.

- James Ives (Chief Executive)** – A professional engineer and experienced senior executive with key energy sector knowledge. Previously CEO of an energy utility and senior manager within Accenture. Early career was spent in automotive engineering specialising in fluid mechanics advising clients including Mercedes Benz and Ferrari. Holds a commercial DoT/MCA ocean skippers licence.



Transporting Open-Centre Turbine



Transporting Open-Centre Turbine



Towing jack-up barge 'Octopus' to installation site.

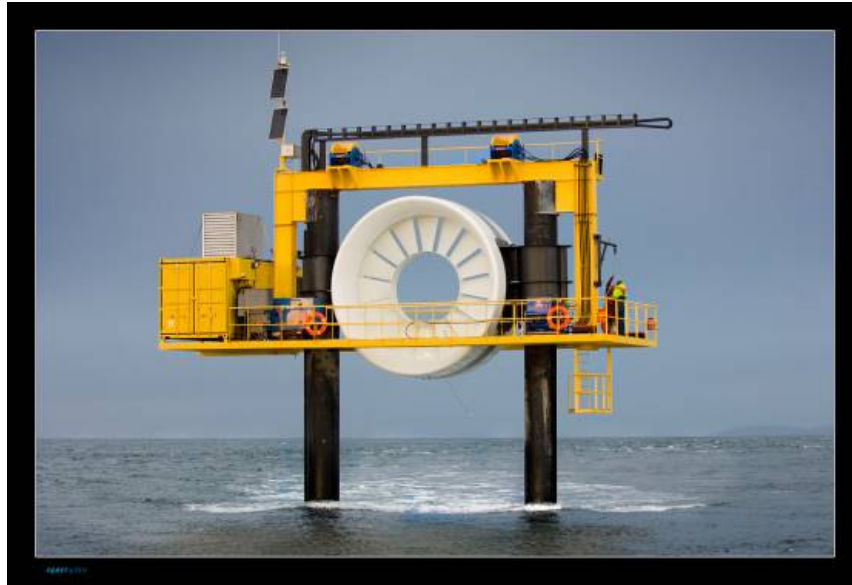


Jack-ups 'Octopus' & 'JB-107' On Station



Lifting platform into position

Installation of Open-Centre Turbine



Completed installation