YOUR MISSION.
OUR SHIP.

XCOR AEROSPACE

LYNX

Beijing University
Commercial Space – A Trillion Dollar Opportunity

Outline

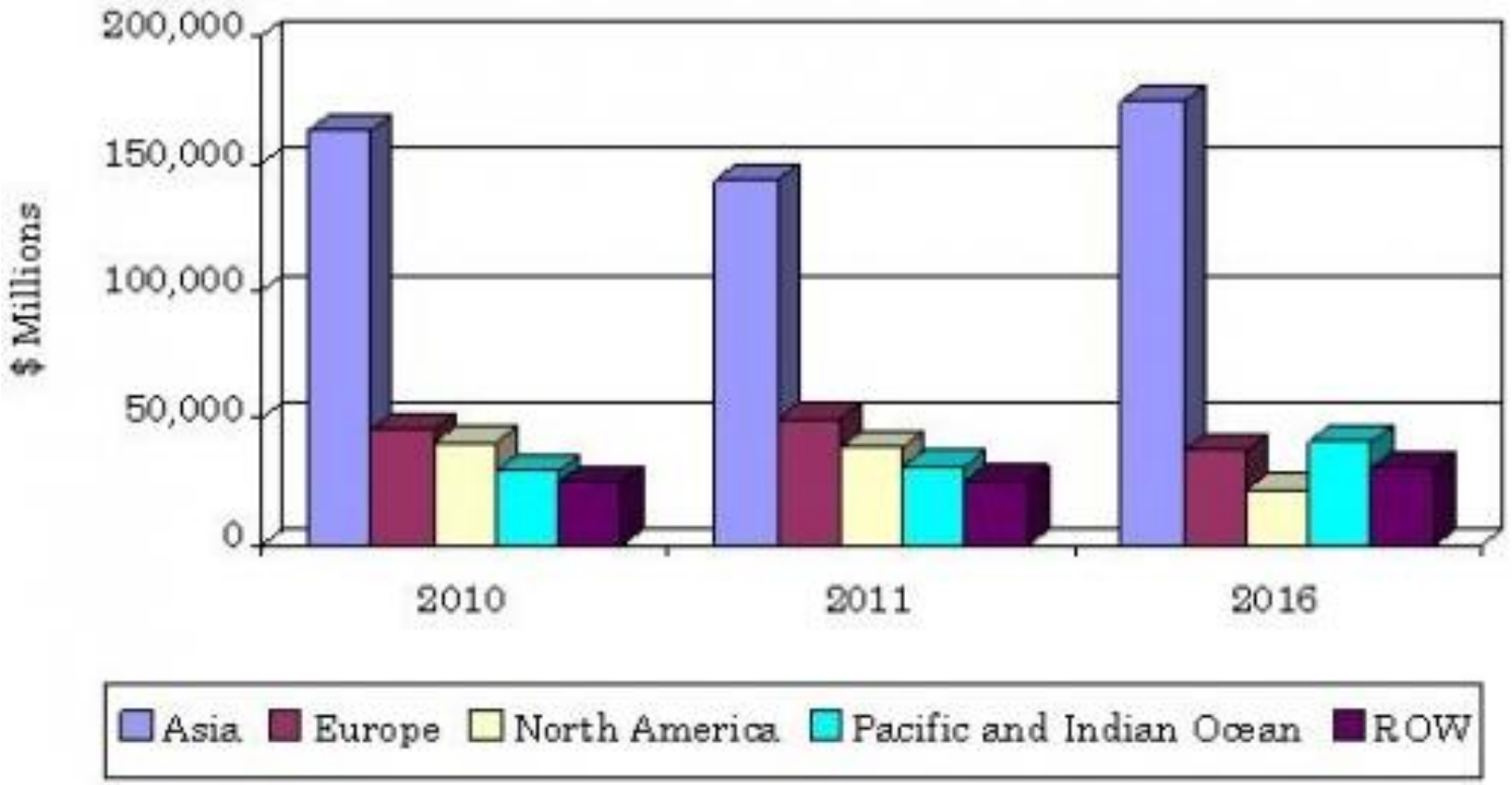
- What is a $1 Trillion Marketplace?
- Visionaries
- Transformation of Space
- The XCOR Lynx

WHAT IS A TRILLION DOLLAR MARKET PLACE?

(DEF. TRILLION --- 1,000,000,000,000)

Global Electricity Generation Markets

Electricity Generation is about $300 Billion / Year

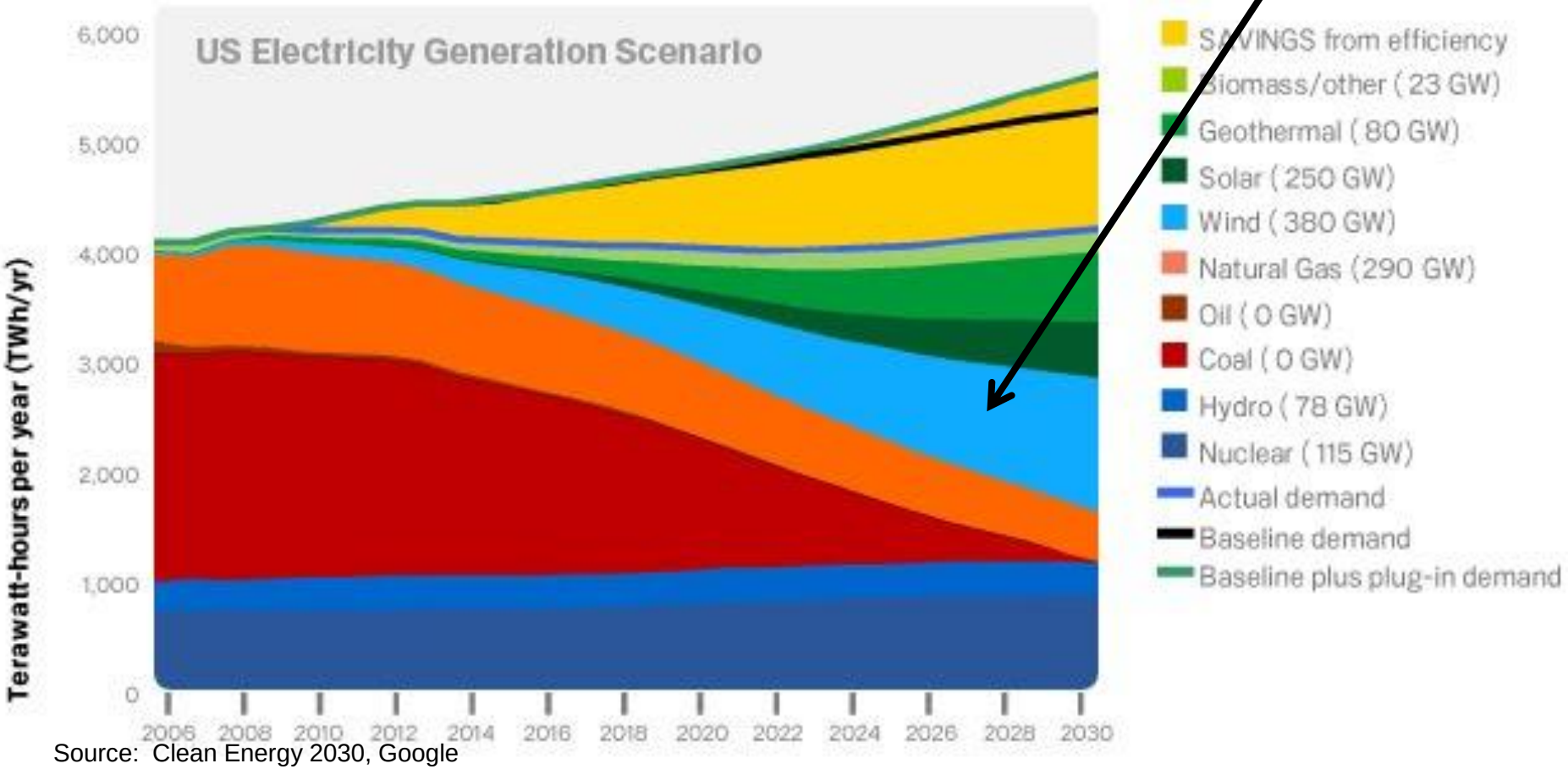


Source: Bcc Market Research

Electricity Market Evolution (Google)

Estimated Costs for Added US Transmission Capacity to Enable Wind = $130 Billion

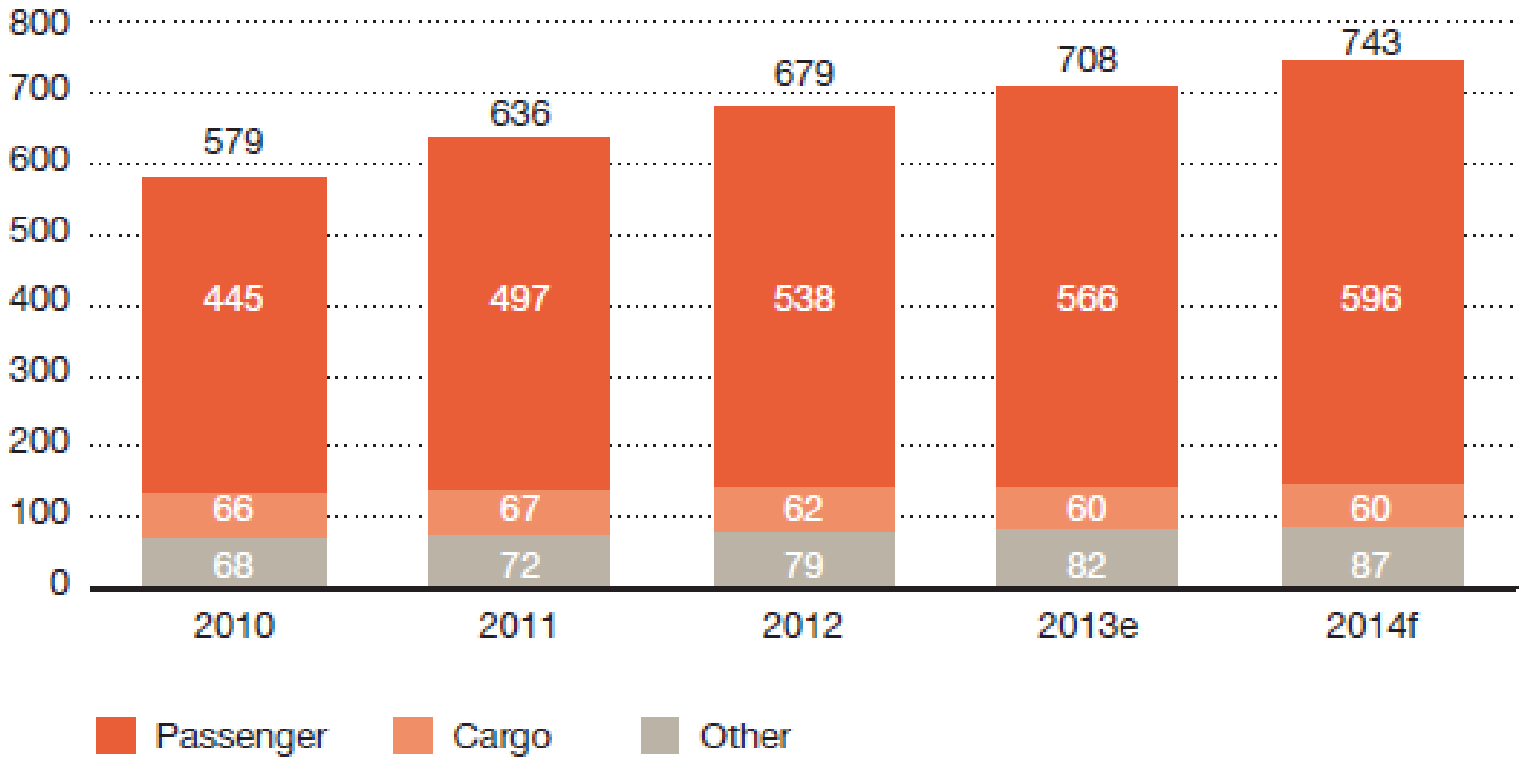
Remember This Number



Source: Clean Energy 2030, Google

Global Airline Revenue

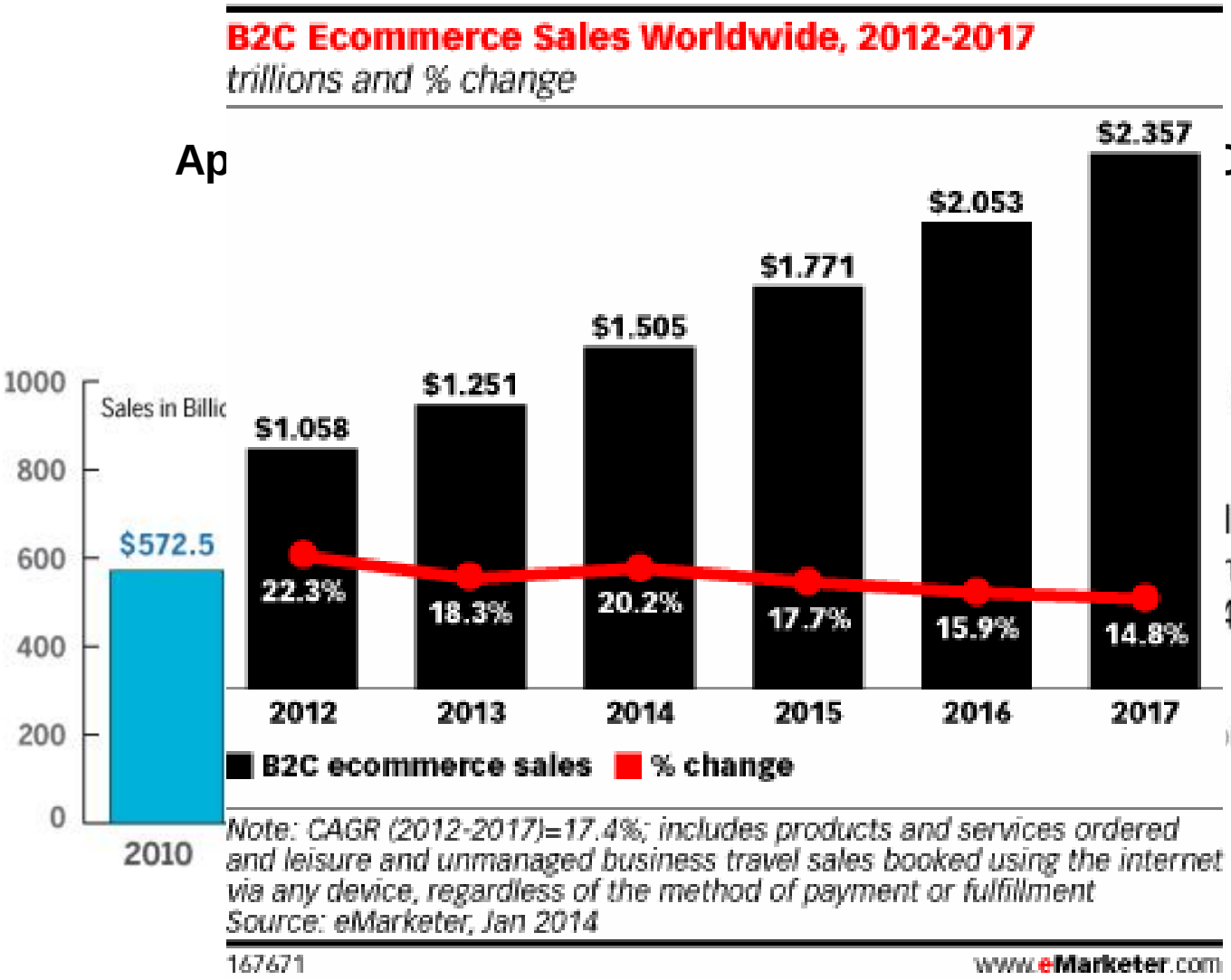
Global Airline Revenue 2014 (Top 150 Airlines) ~$743 Billion



Note: (e) estimated and (f) forecast

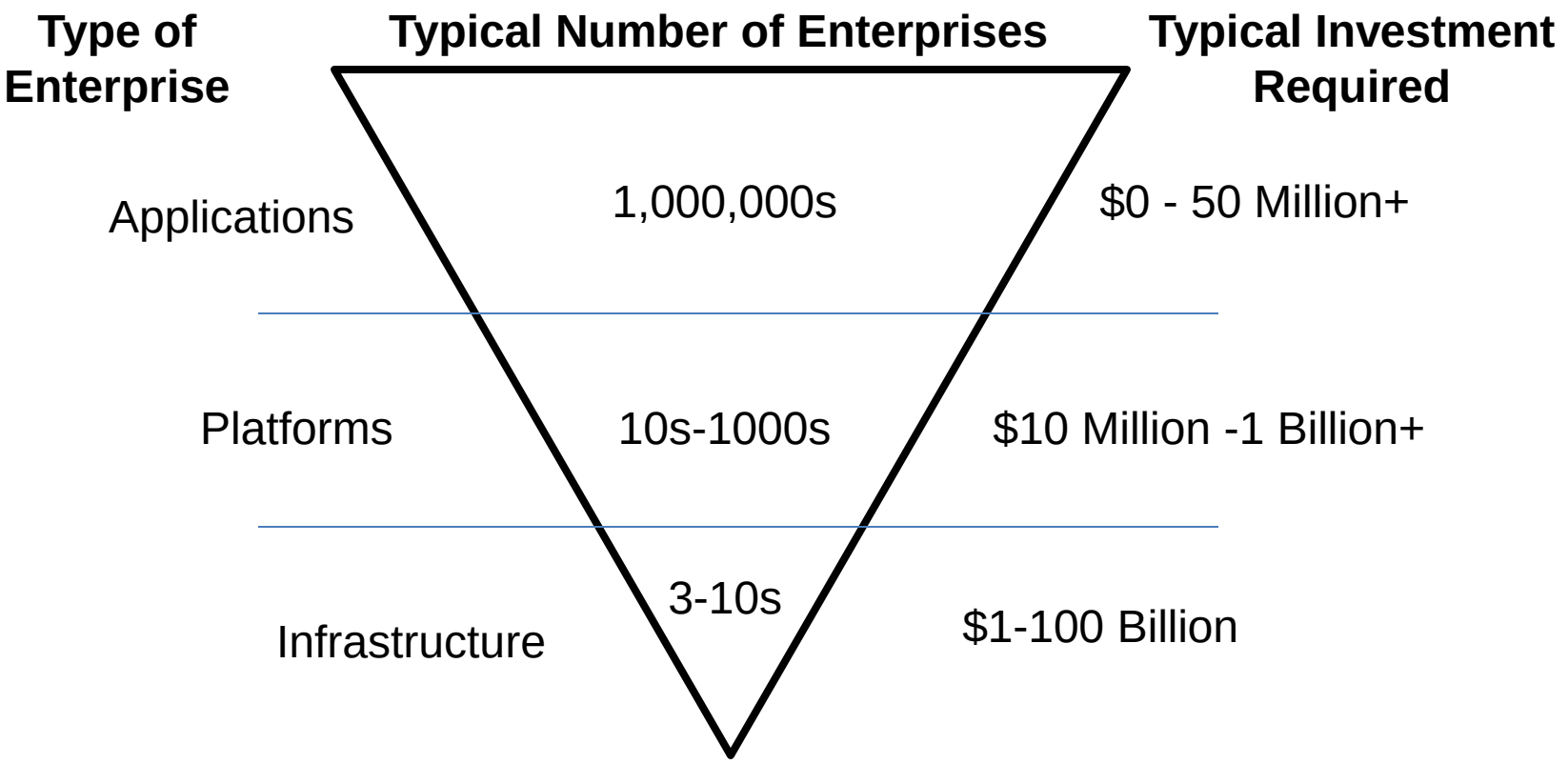
Source: International Air Transport Association (IATA), International Civil Aviation Organization (ICAO)

Global e-Commerce Retail Sales



Creating Big Markets & Structure

- Fundamental Change Impacting ‘Everyone’



How do you build a $Trillion Market?

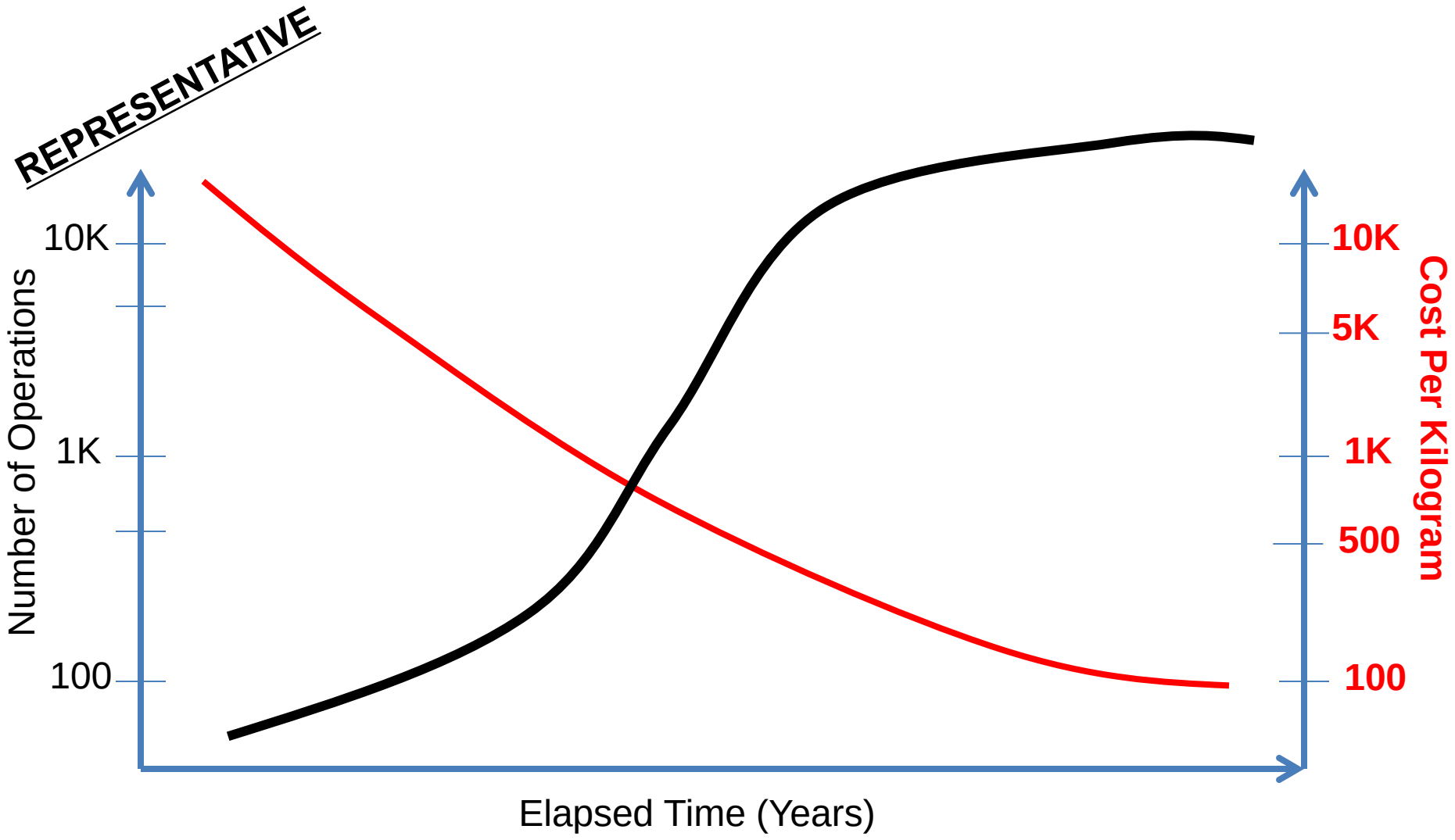
- Solve a Fundamental Need in a Uniquely Different Way that is Valued by Others
- Enlightened Regulatory Frameworks
- **Innovation and Visionary Leadership**

Creating The $Trillion Space Market

Solve Launch Bottleneck …

Reusable Spacecraft / Launchers

Creating the $Trillion Space Market



Who are Space Visionary Leaders??

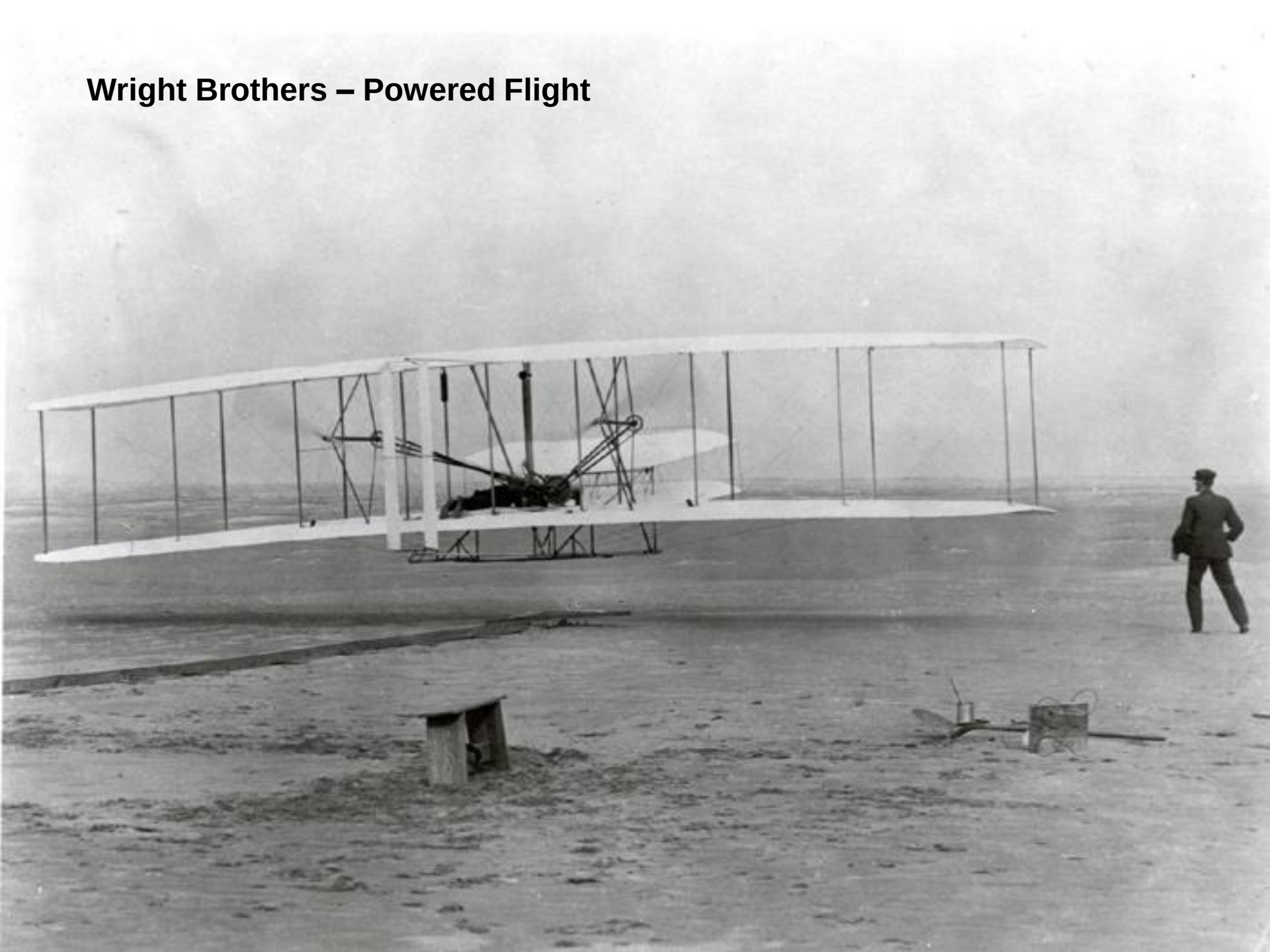
- Who is solving the launch bottleneck?
- Who is making the platforms & apps?
- **Who are the Innovators and Visionary Leaders?**

VISIONARY

adj. “Having or marked by foresight and imagination”

noun “One who can envision the future”

Wright Brothers – Powered Flight



Pan Am China Clippers – Global Reach

DC-3 – Practical / Cost Effective Operations

Boeing 747 – Global Game Changer

Steps to Reusable Space

New Space Visionaries (1) Launchers

Burt and Richard

PETER BECK

THOMAS MARKUSIC

JEFF GREASON

New Space Visionaries (2)
Exploration / Manufacturing

PLANETARY RESOURCES

Inspiration MARS

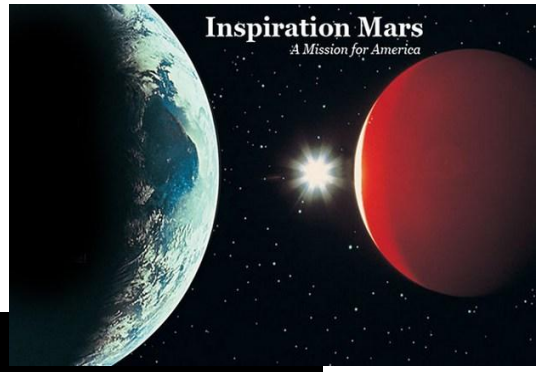

Schmidt


Simonyi

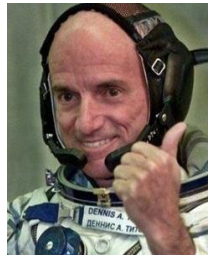

Perot

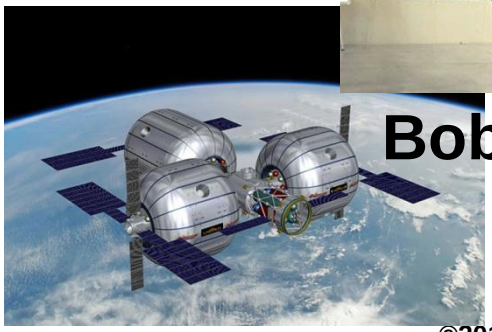

Page


Cameron




Bob Bigelow


Tito



New Space Visionaries (3)
Satellite Applications

Planet Labs

WILL MARSHALL

Skybox Imaging

DAN BERKENSTOCK

Accion Systems

NATALYA BRIKNER

New Space Visionaries (4)
Venture Capitalists

Draper Fisher Jurvetson

STEVE JURVETSON & RANDY GLEIN

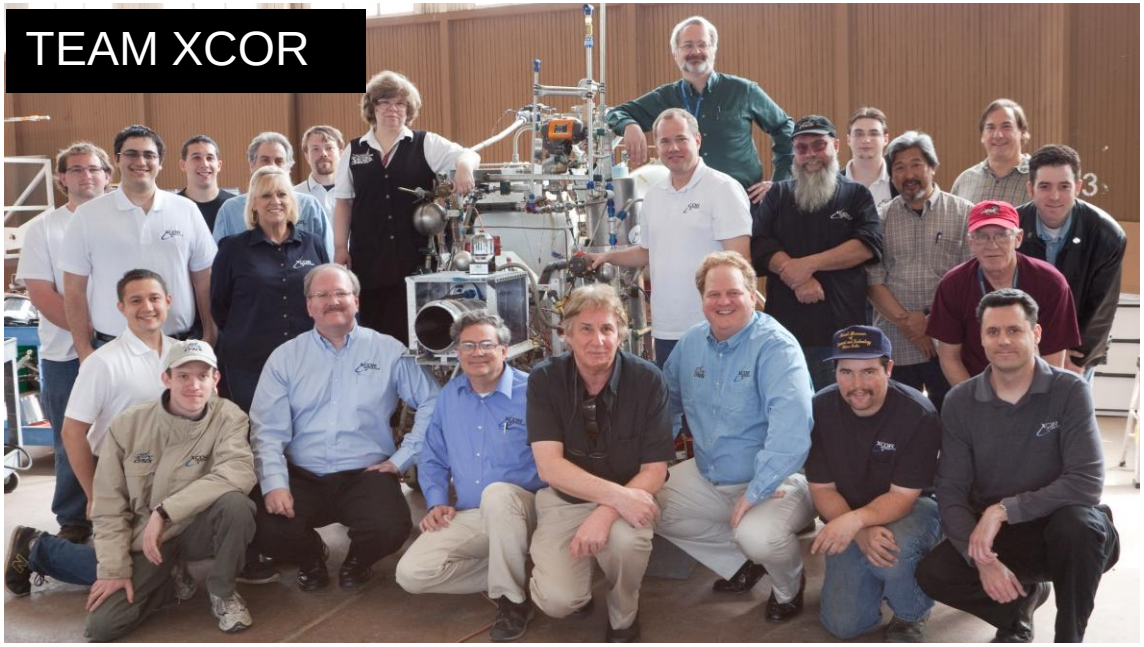
Bessemer Ventures

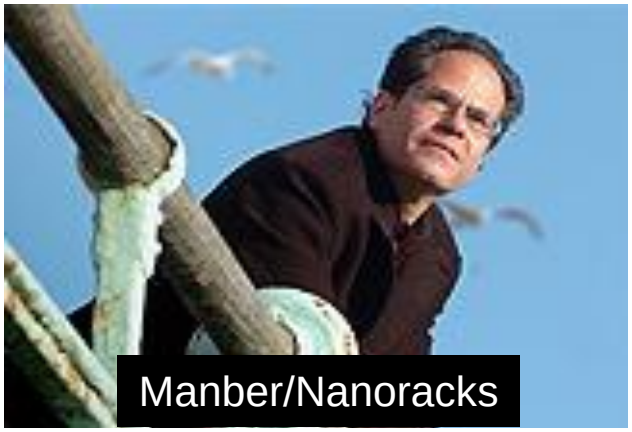
DAVID COWAN & SUNIL NAGARAJ

Haiyin Capital

YUQUAN WANG & XIN MA

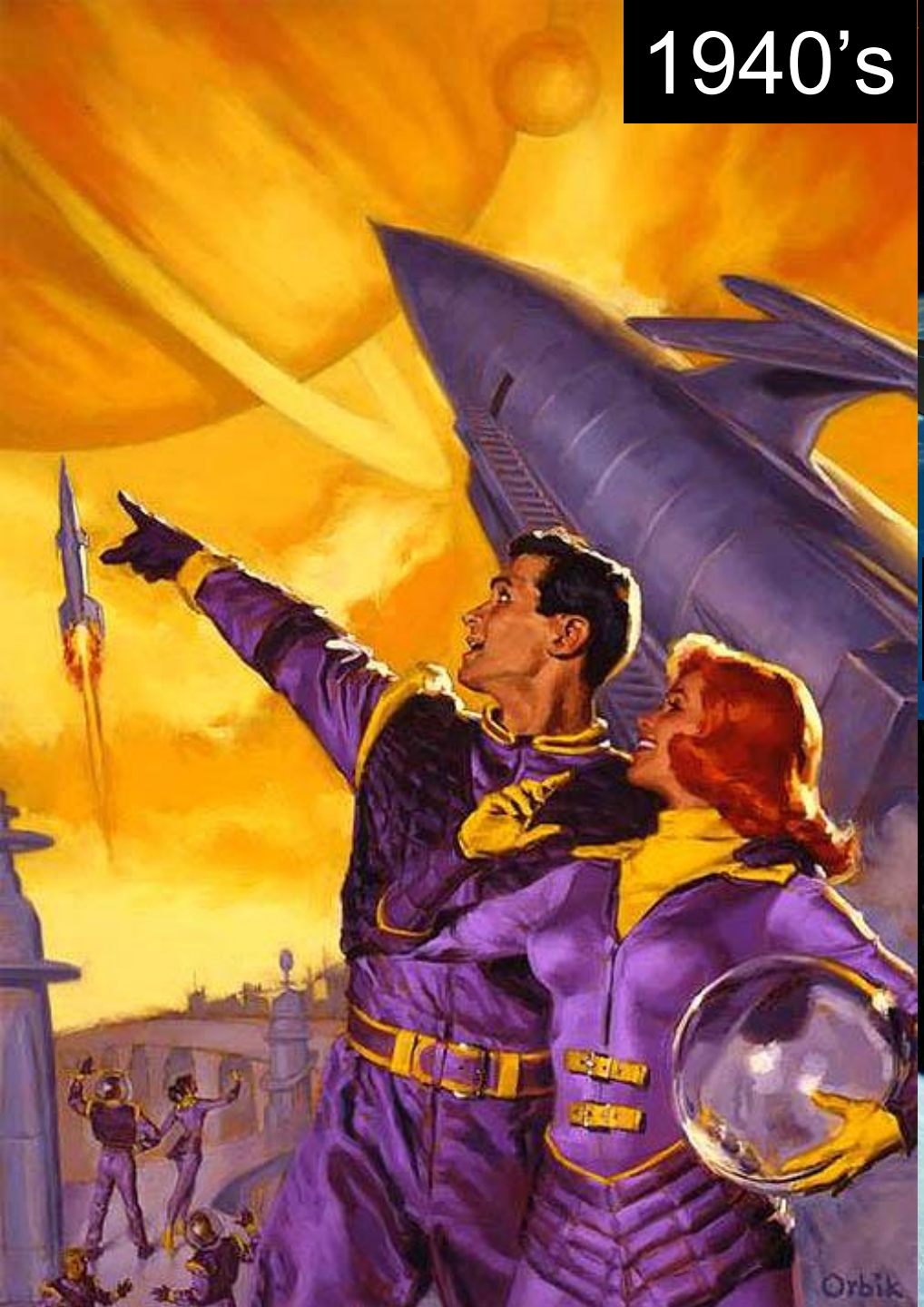
Some of My Personal Favorites

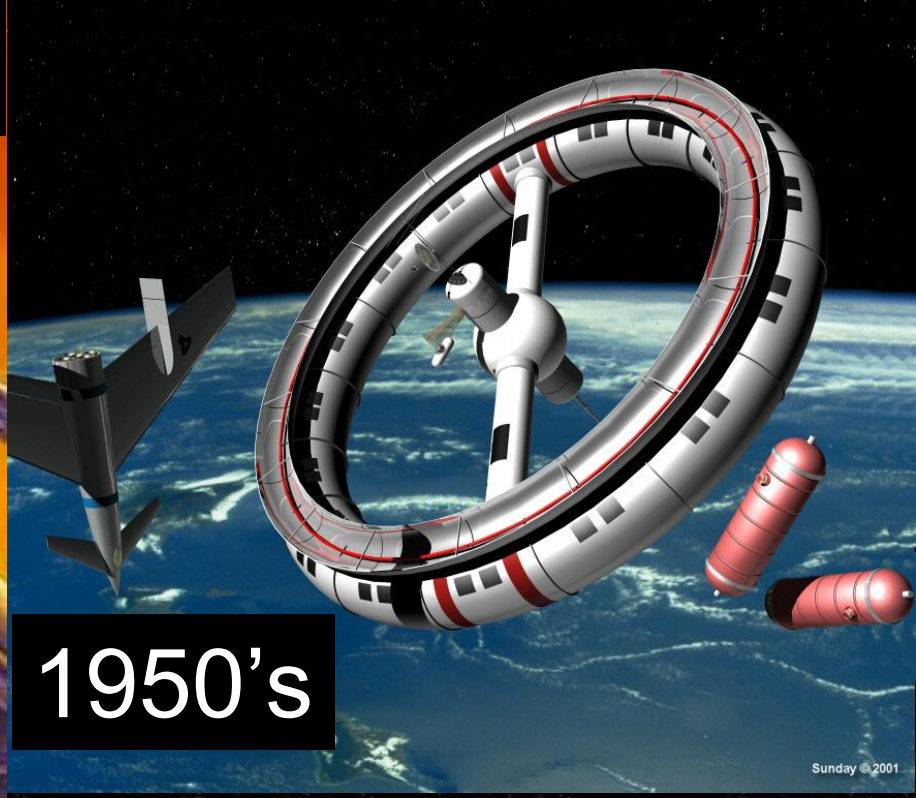




TRANSFORMATION (OF SPACE)

noun "A dramatic change in form or appearance"


1940’s
Orbik


1950’s
Sunday © 2001


PAN AMERICAN
1960’s

Reality of Space Through 2013+

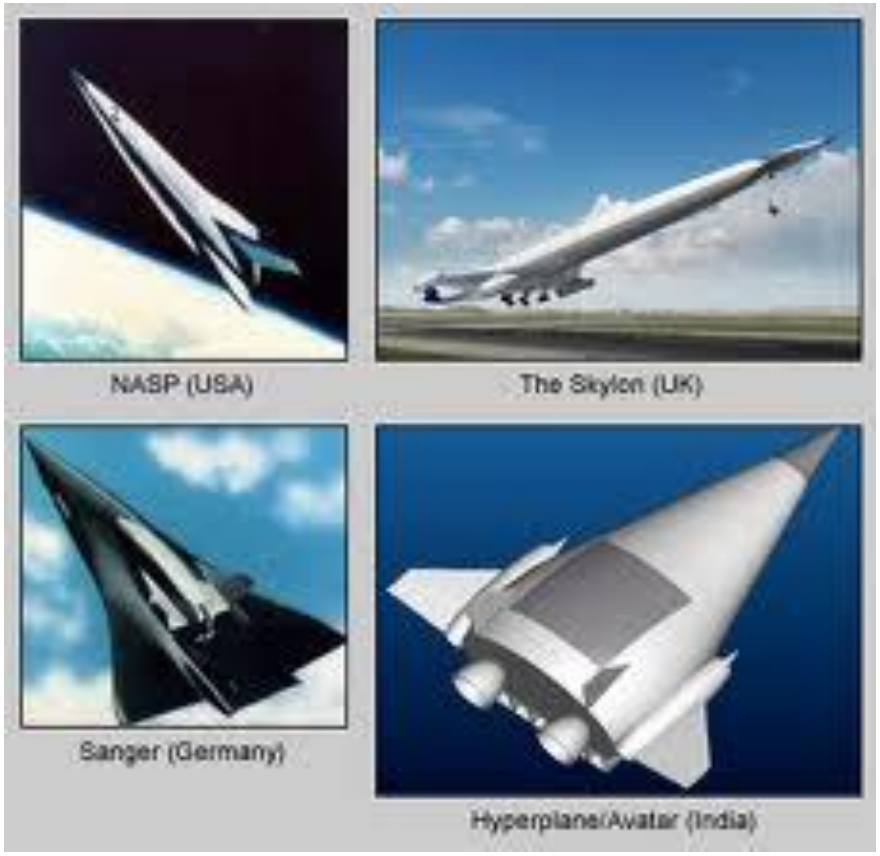
Mercury / Gemini

Shuttle at ISS

New Reality –
Reusable Suborbital Craft as Enabler

Future Steps to Orbit

- Lowering the Cost to Orbit – Full Reusability

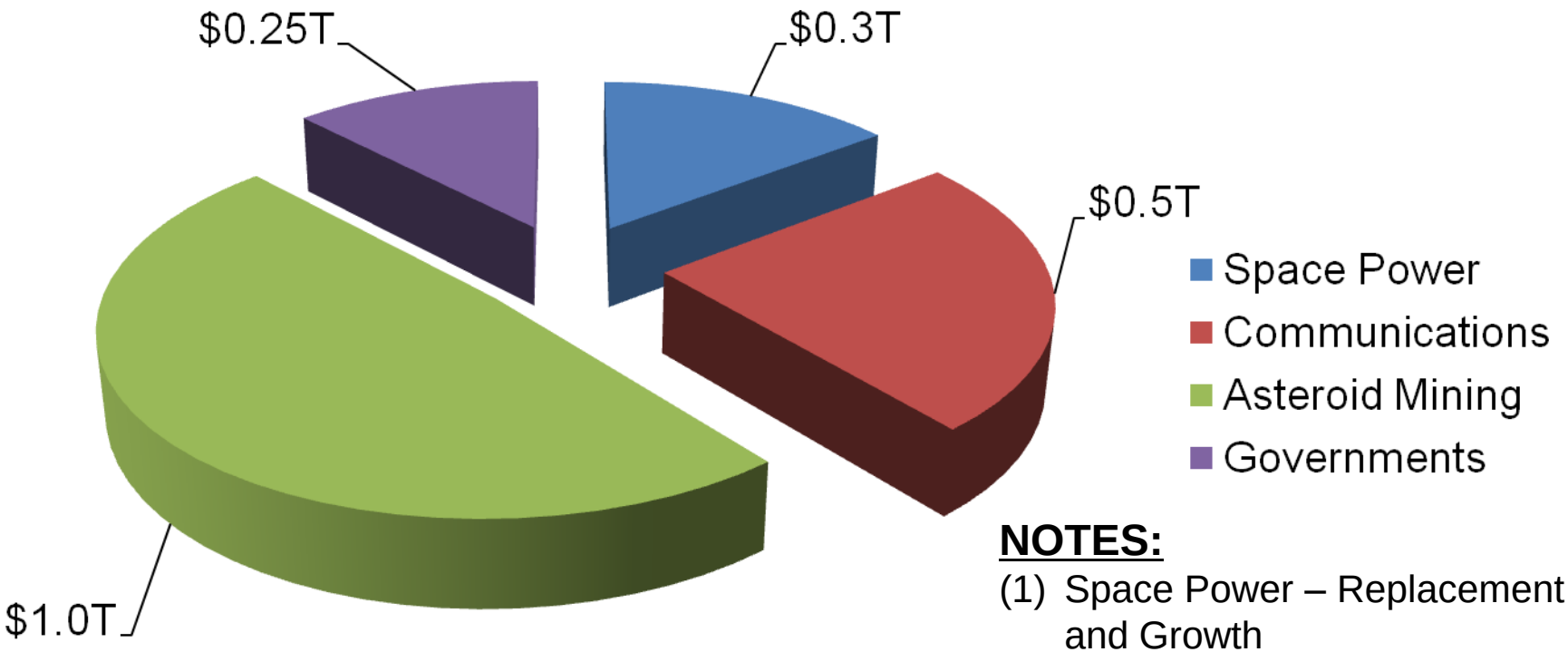


Steps to Creating The $Trillion Space Market

- Suborbital Reusable
  - Demonstrates low cost, safer operations
- Orbital Satellite from Reusable Suborbital
  - Demonstrates responsiveness, reliability
  - Demonstrates market for applications
- Orbital Reusable Satellite Launch
  - Enables space exploitation
- Orbital Manned Reusable Launch
  - Enables settlement

Future Markets

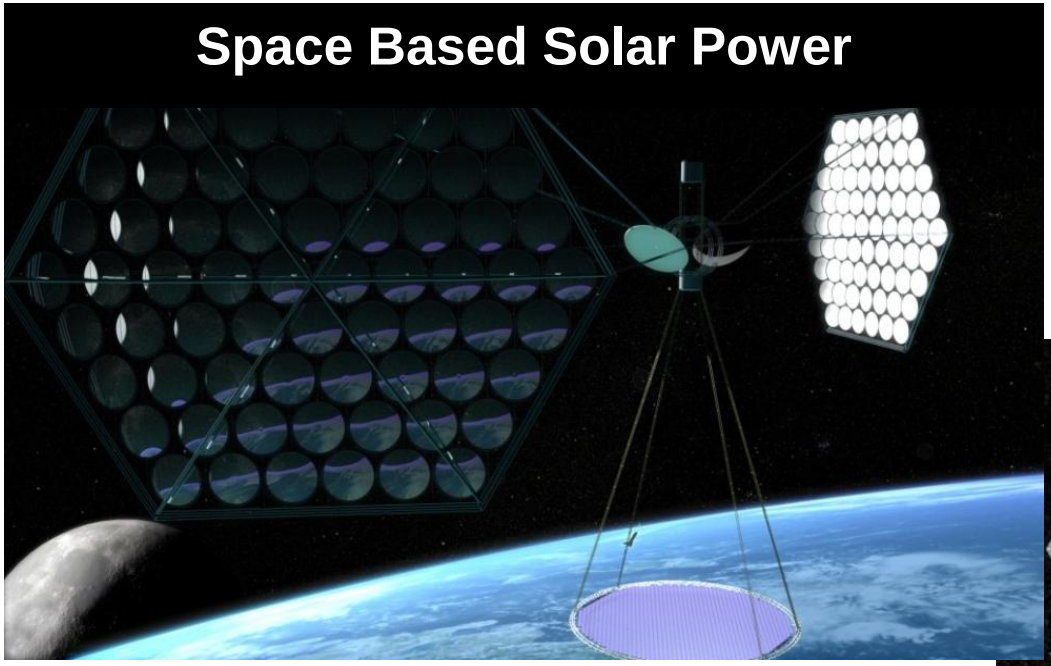
Over $2 Trillion Opportunity for "Big Rocks" Over 20+ Years

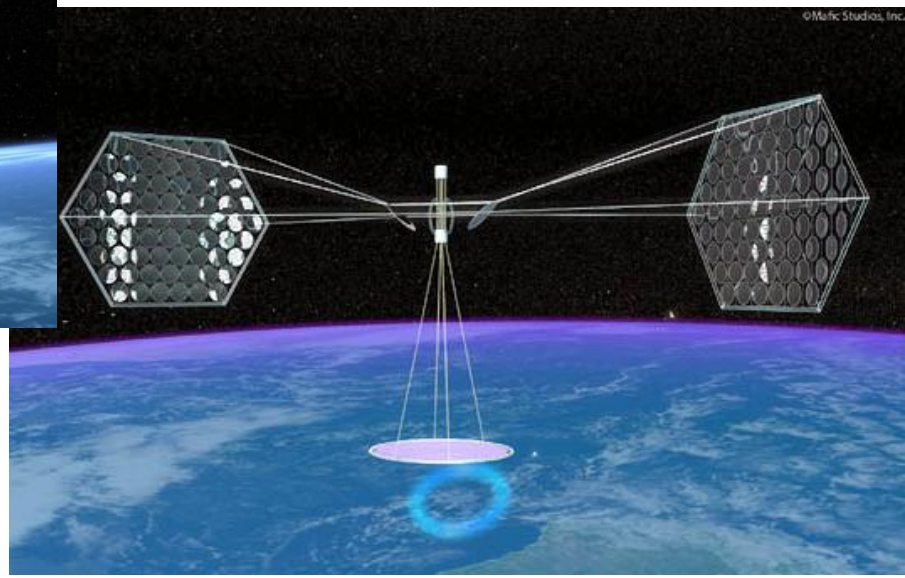


NOTES:

(1) Space Power – Replacement and Growth
(2) Comms – Growth (today ~$200B)
(3) Mining – New Market
(4) Governments – Replacement and Growth

Power





WHAT ELSE?

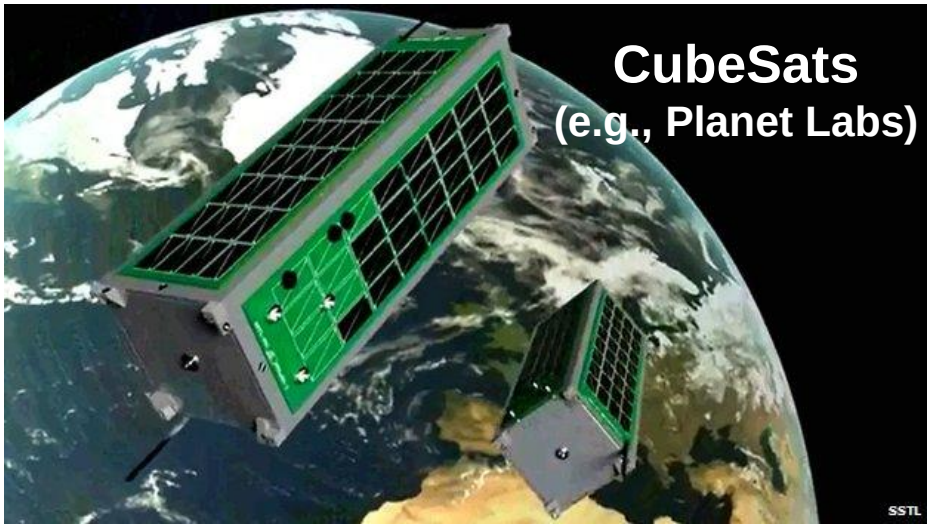
The Platinum Asteroid

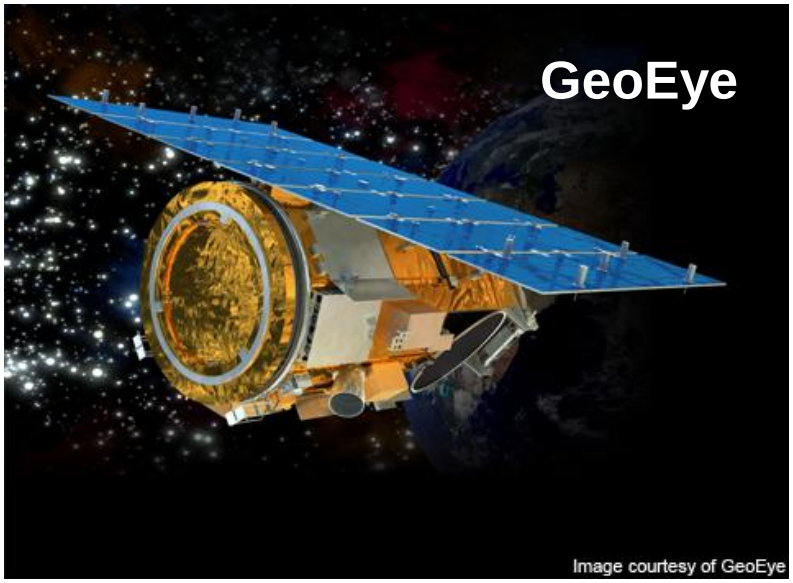
WHAT ELSE?

Orbital Manufacturing & Presence

WHAT ELSE?

Platforms & Applications



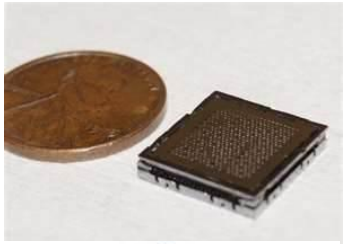


WHAT ELSE?

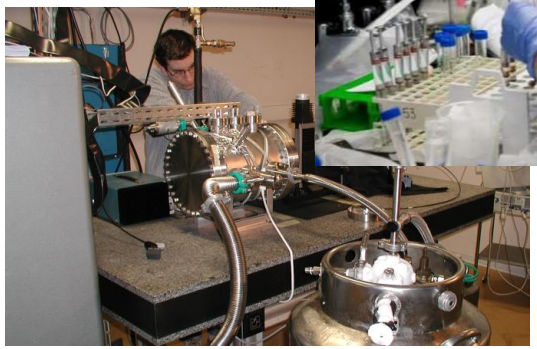
“Picks and Shovels” & Applications

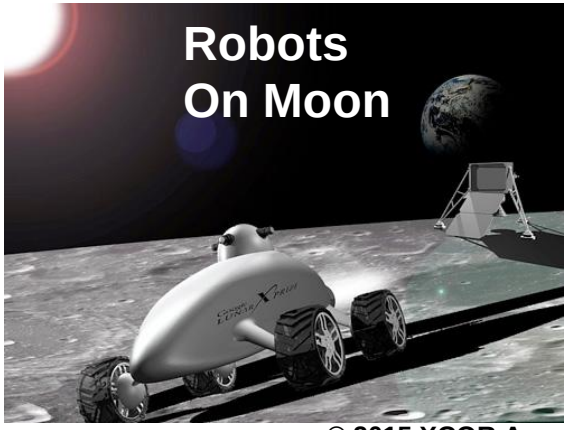
Pressure Suits

Micro Thrusters



Payload Processing





Zero Gravity Solutions

Directed Gene Expression™

LYNX AND FUTURE

noun

1. “A wild cat with yellowish-brown fur, a short tail, and tufted ears, found chiefly in North America and Eurasia”

2. “A hot rock’in space plane from XCOR Aerospace”

The First Step To the Future

XCOR History …

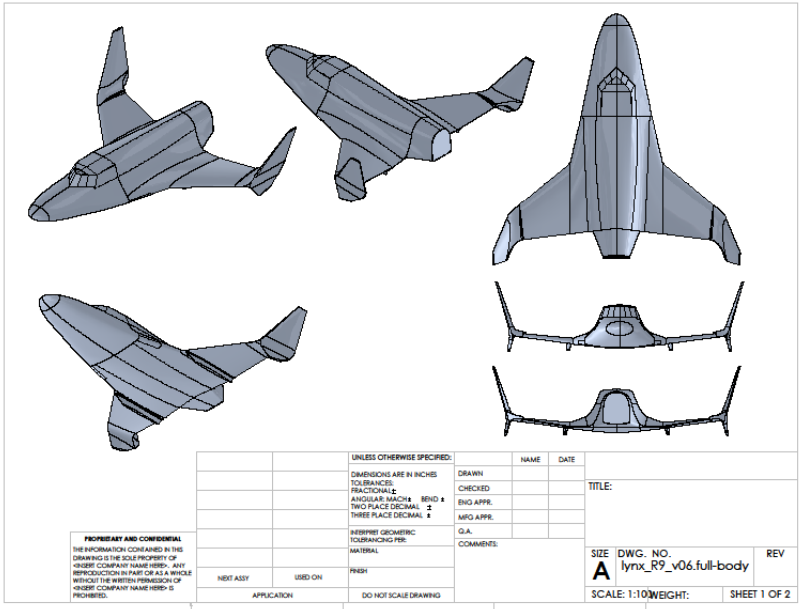
- Founded in 1999
- Located at Mojave Air & Spaceport, CA
- Fourteen different rocket engine designs with approximately 5,000 firings
- Two generations of rocket powered vehicles built & flown
- Building suborbital Lynx – FAA-licensed launch vehicle
- Funded by angel investors, institutional investors, sales and contract revenues
- Revenue producing

Lynx Heritage …

- EZ Rocket taught us …
  - Development of safe reusable propulsion
  - Integration into airframe
  - Low cost & safe operational procedures
  - Regulatory framework
- X-Racer taught us …
  - Pump fed fuel enabled high performance for future ops
  - Improved low cost ops and safety regime processes
  - Improved airframe skill sets and avionics integration

Lynx Overview …

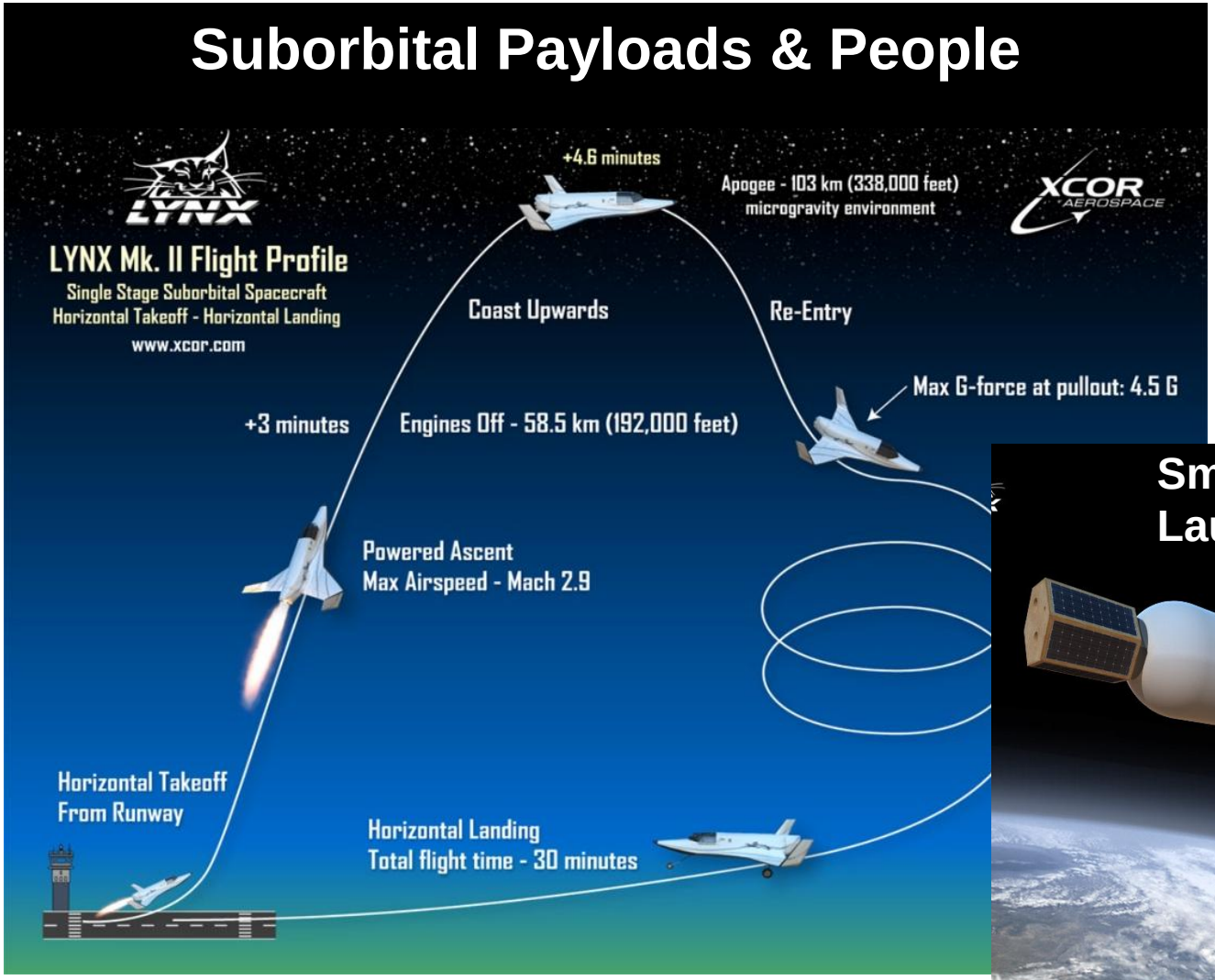
- Suborbital space vehicle
- Horizontal takeoff/landing
- Two seats – pilot plus one
- Small vehicle
  - Wingspan ~24 feet
  - Length ~30 feet
- Multi-mission capable
  - In-cockpit experiments
  - External mount experiments
  - Test pilot/astronaut training
  - Upper atmospheric sampling
  - Nano-satellite launch
  - Space tourism



Flight Operations …

- **Aircraft-like operations from any airport with a 9,000-foot (~2800 m) runway and appropriate airspace**
- **Fast turnaround**
- **Low maintenance: two-hour engine runtime overhaul intervals**
- **Up to 4 sorties per day**
- **Weather and seasonal constraints including winds**

Lynx Missions …



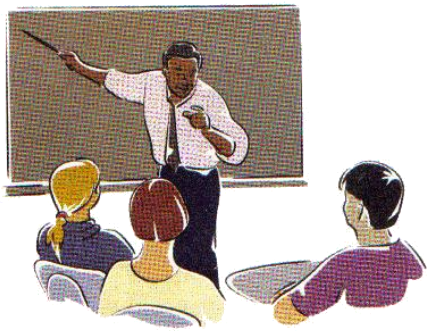
Screening & Training

Resort Lodging:
4 days, 3 nights

Thorough Medical Screening

CIVIL AVIATION MEDICAL ASSOCIATION
PRO BONO PUBLICO

Training Seminars



- "Rocket 101" – basic info found in public domain
- What not to touch!
- "Informed Consent"
- How to ingress/egress

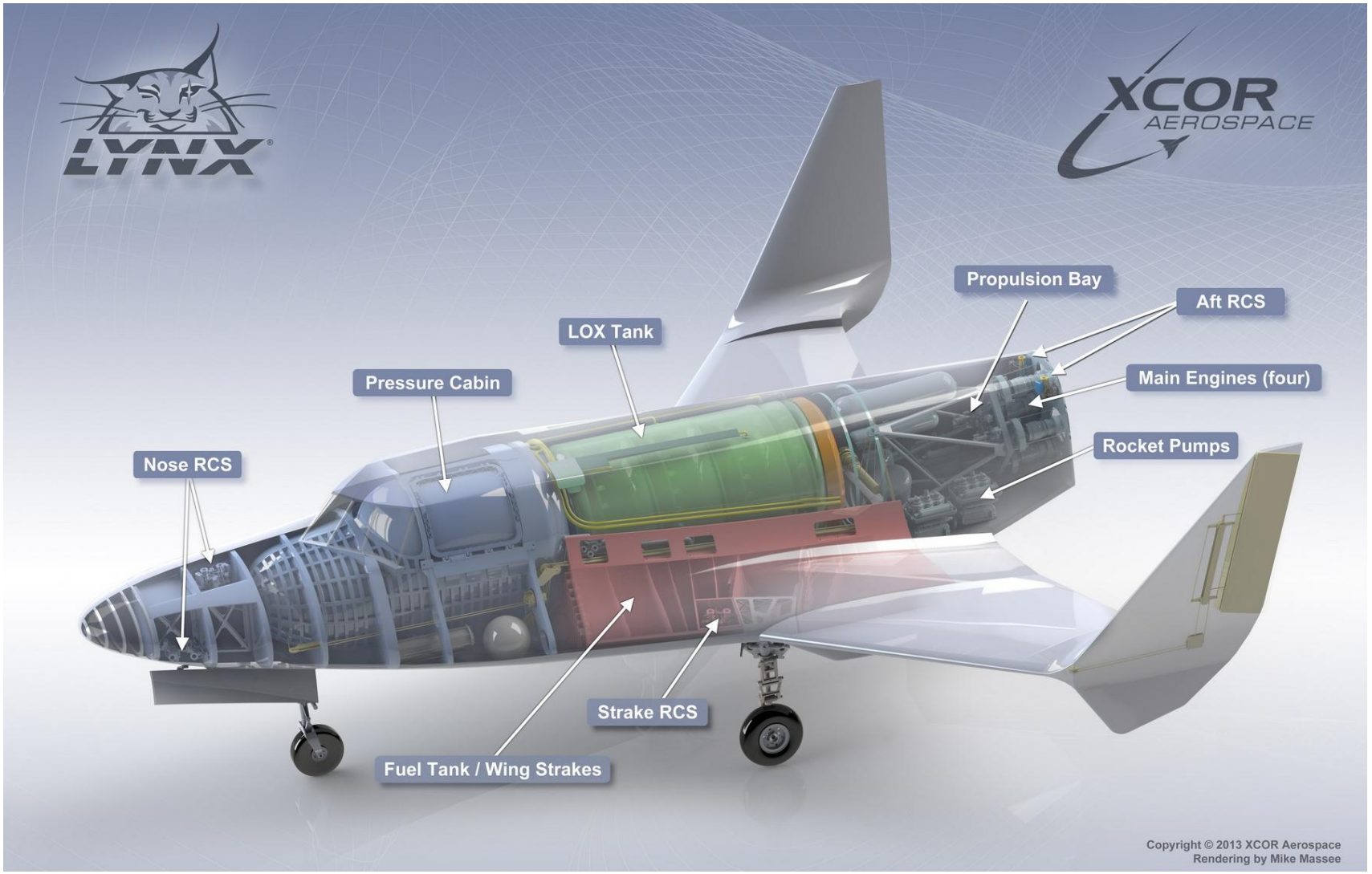
G-Force Training Options

Altitude Chamber

Suborbital Pressure Suit

- Manufacturer – Orbital Outfitters
  - http://www.orbitaloutfitters.com
- Emergency pressure suit for sub-orbital operations (“get me down suit”)
- Some Features:
  - Life support functions for 30 mins @ 500 K Feet
  - Mass of <20 Kg
  - Comfortable for the wearer
  - Can be integrated into a parachute harness
  - Visibility which is superior to existing designs
  - Cooling systems from auto racing & film industry
  - Automatic rapid activation function
  - Intuitive to operate
  - Audio system interface to vehicle

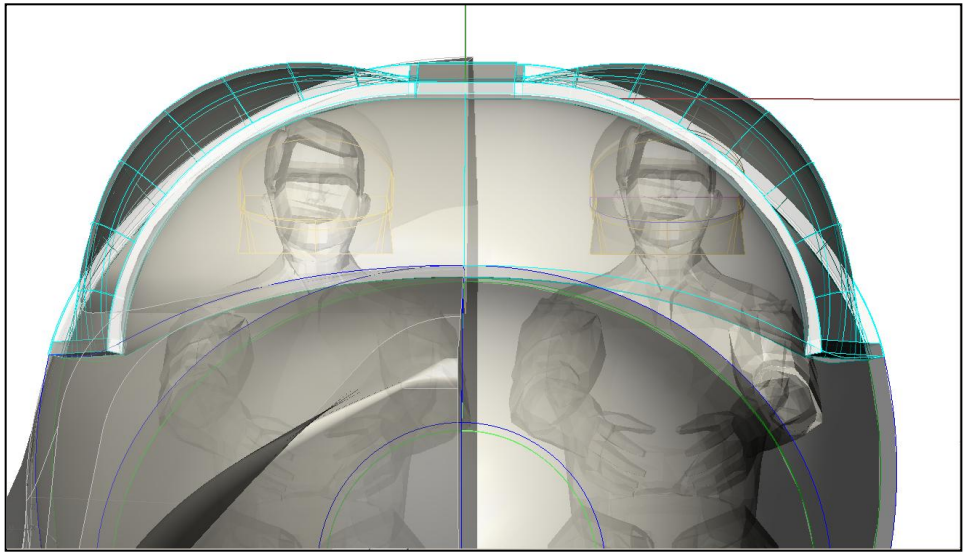
Lynx Vehicle – Main Subsystems

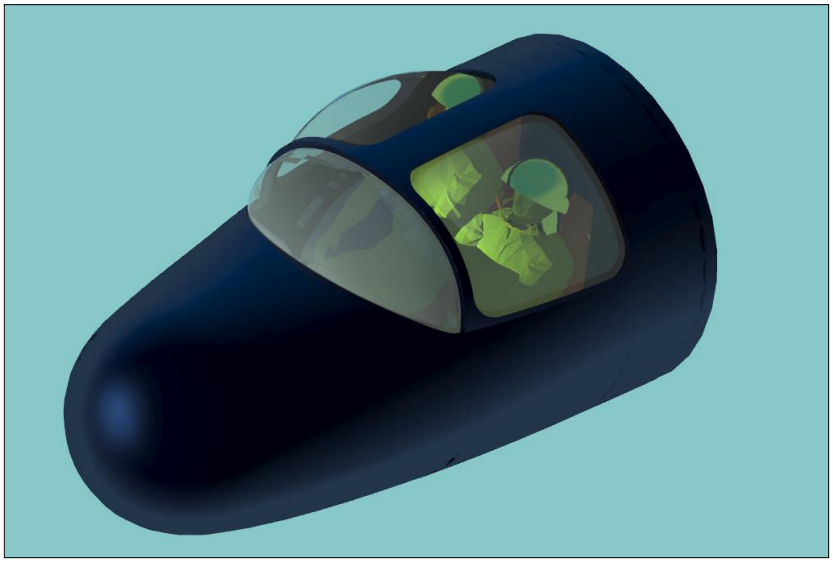


Propulsion

- Fully reusable
  - Low touch labor after flights
- Non-toxic propellants
  - LOX (Liquid Oxygen)
  - Kerosene
- Lynx 5K18 LOX/Kerosene on test stand
  - Regeneratively cooled
- Unique RCS thrusters
  - Non-toxic
  - Proprietary Bi-propellant

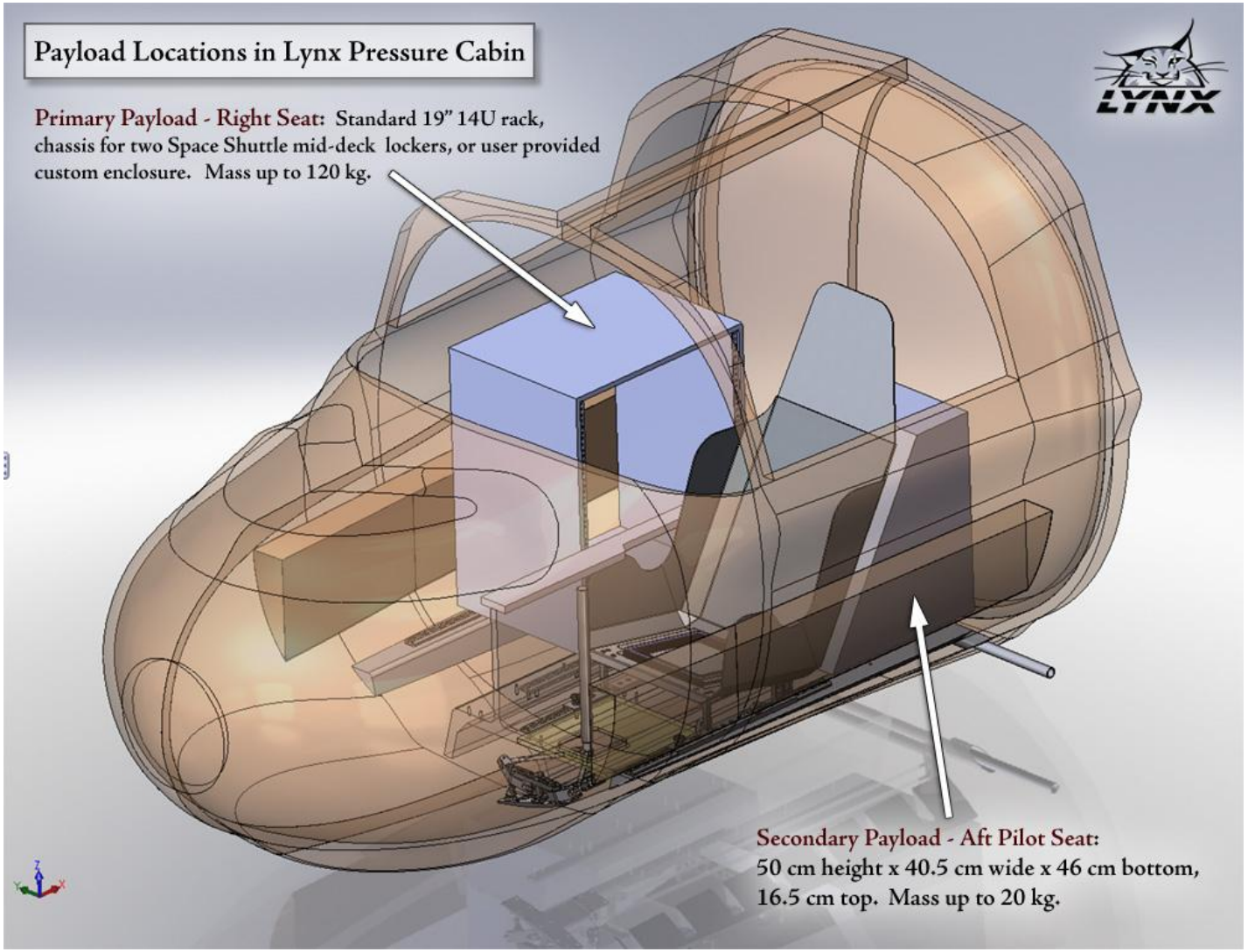
Payload Capabilities …



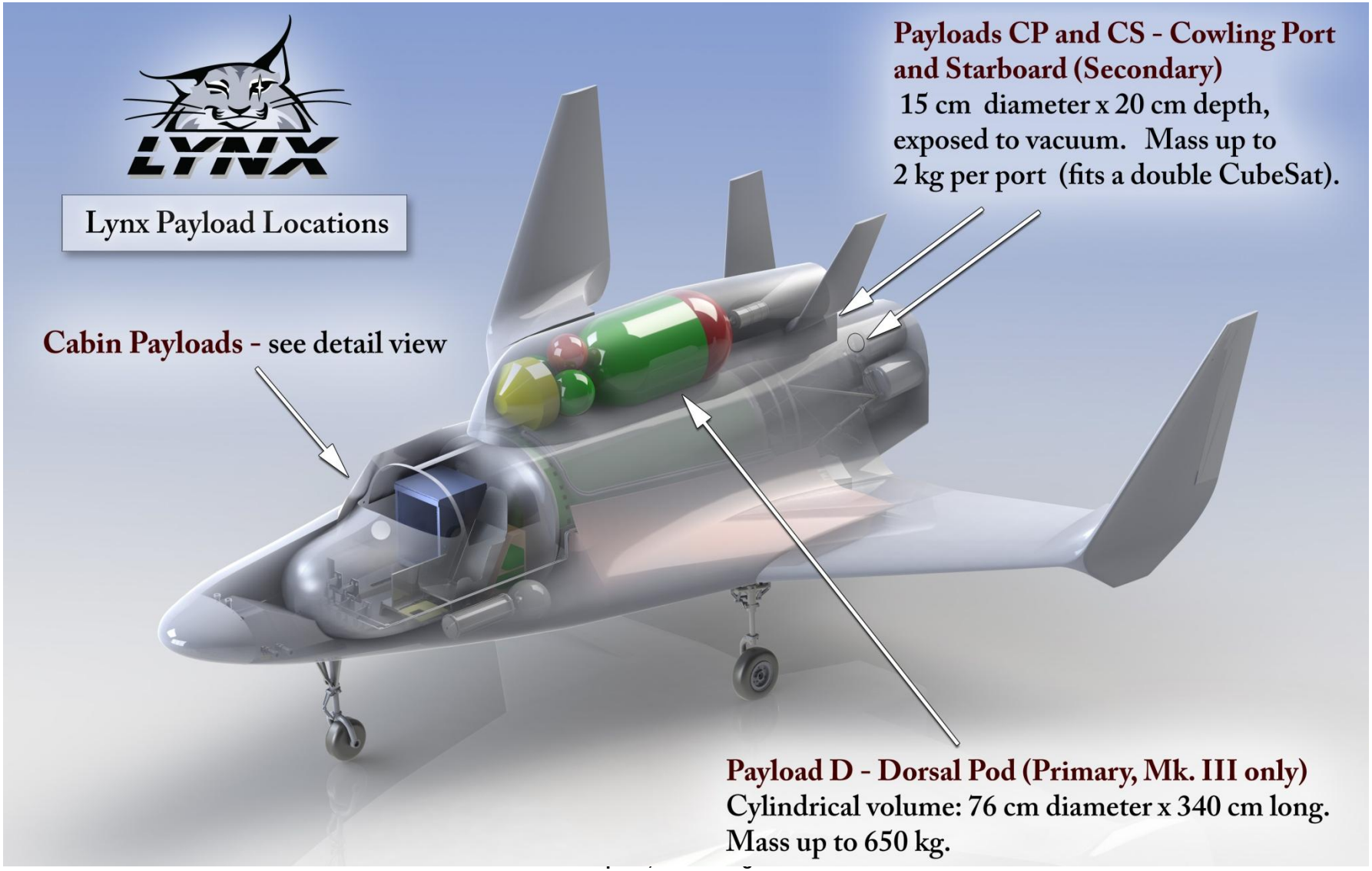


- Human Payload: Pilot + Spaceflight Participant
- Internal Payload: Behind pilot and/or in place of participant
- Dorsal-mounted: Lynx pod (see next slides)

Internal Payloads



External Payloads



Lynx Build Status (2)

Lynx Build Status (3)

Questions?

Disclosures

- This presentation contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, but not limited to, statements as to future operating results and plans that involve risks and uncertainties. We use words such as “expects”, “anticipates”, “believes”, “estimates”, the negative of these terms and similar expressions to identify forward looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by those projected in the forward-looking statements for any reason.

- In addition, XCOR operates in highly competitive, consumer, technology-driven and rapidly changing aerospace, government, and civil space businesses. These businesses are affected by government regulation, economic, strategic, political and social conditions, consumer response to new and existing products and services, technological developments and, particularly in view of new technologies, the continued ability to protect intellectual property rights. Also, the industry we are in is risky and dangerous, with a history of catastrophic failures and loss of life. XCOR’s actual results could differ materially from management’s expectations because of changes in such factors or due to accident.

- Forecasts are contained in this Presentation. Individuals are cautioned that forecasts are speculative and because of the subjective judgments and inherent uncertainties of forecasts, there can be no assurance that the Company’s actual future results or subsequent forecasts will not vary significantly from the forecasts set forth in this Presentation. The inclusion of forecasts set forth in this Presentation should not be regarded as a representation or warranty with respect to their accuracy or the accuracy of the underlying assumptions or that the Company will achieve or is likely to achieve any particular results.