<u>Press release: Lockheed Martin and</u> <u>Orbex to launch UK into new space age</u>

- Lockheed Martin to establish vertical launch operations in Sutherland, Scotland and develop innovative technologies in Reading, Berkshire with support from two UK Space Agency grants totalling £23.5 million
- A further £5.5 million will go to British company Orbex to build an innovative new rocket for launch from Sutherland, as part of Government's modern Industrial Strategy
- This builds on awards of £2.5m to Highlands and Islands Enterprise to develop a vertical launch spaceport in Sutherland and a £2m development fund for horizontal spaceports such as those planned in Cornwall, Glasgow Prestwick and Snowdonia
- Government support for launch is the first step towards a potential Space Sector Deal and the development of a national space programme

Lockheed Martin: UK spaceflight programme

Under the plans, global space leader Lockheed Martin and innovative spaceflight company Orbex will launch rockets into space from the north coast of Scotland.

The grants from the UK Space Agency consist of:

- Two separate grants worth a combined £23.5 million to Lockheed Martin to establish vertical launch operations at Sutherland using proven technology and to develop an innovative new system in Reading for deploying small satellites. Known as an orbital manoeuvring vehicle, this will be the upper stage of Lockheed Martin's rocket and will deploy up to six small satellites to separate orbits.
- £5.5 million to UK-based Orbex to build an innovative new rocket for launch from Sutherland, with the support of British manufacturing operations and supply chains. Their orbital launch vehicle, called Prime, will deliver small satellites into Earth's orbit, using a single renewable fuel, bio-propane, that cuts carbon emissions by 90% compared to hydrocarbon fuels.

The companies will work together with Highlands and Islands Enterprise, which has been awarded £2.5 million to develop a vertical launch site in Sutherland.

Business Secretary Greg Clark said:

"As a nation of innovators and entrepreneurs, we want Britain to be the first place in mainland Europe to launch satellites as part of our Industrial Strategy. The UK's thriving space industry, research community and aerospace supply chain put the UK in a leading position to develop both vertical and horizontal launch sites.

"This will build on our global reputation for manufacturing small satellites and help the whole country capitalise on the huge potential of the commercial space age."

Horizontal launch sites have significant potential in a future UK spaceflight market, which could attract companies from all over the world to invest in Britain. Sites such as Newquay, Glasgow Prestwick and Snowdonia will be boosted by a new £2m fund to grow their sub-orbital flight, satellite launch and spaceplane ambitions.

Chris Grayling, Secretary of State for Transport, said:

"The UK's space sector is thriving and satellite benefits our lives every day, from banking to transport, and agriculture to entertainment.

"Our Space Industry Act will allow the UK to tap into and develop new commercial space opportunities, with the potential for hundreds of new regional jobs and billions of revenue for British business across the country.

"Today's announcement is not only exciting for Sutherland, but with industry expertise up and down the country it will drive growth and further regional opportunities in England, Scotland and Wales."

Britain's Space Sector has set out ambitious plans to build on its global leadership in satellites and applications using space data to create a hub in the UK for new commercial space services, as set out in the Prosperity from Space report published in May.

The Government's modern Industrial Strategy identified spaceports as a key economic opportunity and a priority for the UK's space strategy. The UK is an attractive destination for space businesses and the north of Scotland is well-placed to reach in-demand satellite orbits.

Patrick Wood, Lockheed Martin's UK Country Executive for Space, said:

"The UK Space Agency's strategic vision for a world-class launch market will position the nation for a very bright future in space. Lockheed Martin will apply its 50 years of experience in small satellite engineering, launch services and ground operations, as well as a network of UK-based and international teammates, to deliver new technologies, new capabilities and new economic opportunities."

Chris Larmour, CEO of Orbex, said:

"We're delighted to have been selected after a highly competitive and detailed process. Orbex is one of the very few private spaceflight companies with credible practical experience in the development of launch vehicles and rocket engines. With the support of this grant from the UK Space Agency, we will soon be launching small satellites into orbit from British soil and helping to transform the UK into an important hub for commercial space launch operations."

Following its call for grant proposals in Spring 2017, the UK Space Agency assessed 26 proposals to determine what would deliver the best value for money and strategic opportunity for the growth of the UK space sector.

A number of sites across the UK are developing their spaceport plans and engaging with regulators, demonstrating the scale of the industry's ambition and confidence in a future UK spaceflight market, which could attract companies from all over the world to invest in Britain. Launches will be regulated under the Space Industry Act 2018.

The UK and US will also soon begin formal negotiations towards a Technology Safeguards Agreement, which will establish the legal and technical safeguards that can support U.S. space launch vehicles to operate from UK launch sites. Attracting US operators to the UK will enhance our space capabilities and boost the whole market.