



Investor Presentation

March 2019



Forward Looking Information

This presentation includes certain forward-looking statements that are made as of the date hereof and are based upon current expectations, which involve risks and uncertainties associated with our business and the economic environment in which the business operates. All such statements are made pursuant to the “safe harbour” provisions of, and are intended to be forward-looking statements under applicable Canadian securities laws. This presentation includes, but is not limited to, forward looking statements relating to TeraGo’s growth strategy and higher growth opportunities in 5G, revenue growth, investments redirected to potential 5G services, the Company’s 5G technical trials and strategy, options available to leverage spectrum to create greater value for shareholders, and initiatives for customer acquisition. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. When relying on forward-looking statements, whether written or oral, to make decisions with respect to the Company, investors and others should carefully consider the risks, uncertainties and assumptions, including the risk that TeraGo’s growth strategy and strategic plan will not generate the result intended by management, cross-selling of TeraGo’s cloud services may not succeed, retention efforts decreasing profit margins, opportunities for expansion and acquisition not being available or at unfavourable terms, TeraGo’s “go-to-market” strategy may not materialize, trends in the global cloud and data centre sectors may not be accurately projected, the outcome of the ISED 5G Consultation may not be favourable to the Company, ISED decisions in the various Consultations that the Company has participated in being unfavourable to the Company, the technical 5G trial the Company is currently conducting may not generate the results intended, new market opportunities for 5G may not exist or require additional capital that may not be available to the Company, and those risks set forth in the “Risk Factors” section in our annual MD&A for the year ended December 31, 2018 available on www.sedar.com and other uncertainties and potential events. All the forward-looking statements in this presentation are expressly qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences for the Company.

Except as may be required by applicable Canadian securities laws the Company does not intend, and disclaims any obligation to update or revise any forward-looking statements, whether oral or written as a result of new information, future events or otherwise.

Non-GAAP Measures

Adjusted EBITDA

The term “EBITDA” refers to earnings before deducting interest, taxes, depreciation and amortization. The Company believes that Adjusted EBITDA is useful additional information to management, the Board and investors as it provides an indication of the operational results generated by its business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration asset depreciation and amortization and it excludes items that could affect the comparability of our operational results and could potentially alter the trends analysis in business performance. Excluding these items does not necessarily imply they are non-recurring, infrequent or unusual. Adjusted EBITDA is also used by some investors and analysts for the purpose of valuing a company. The Company calculates Adjusted EBITDA as earnings before deducting interest, taxes, depreciation and amortization, foreign exchange gain or loss, finance costs, finance income, gain or loss on disposal of network assets, property and equipment, impairment of property, plant, & equipment and intangible assets, stock-based compensation and restructuring, acquisition-related and integration costs. Investors are cautioned that Adjusted EBITDA should not be construed as an alternative to operating earnings or net earnings determined in accordance with IFRS as an indicator of our financial performance or as a measure of our liquidity and cash flows. Adjusted EBITDA does not take into account the impact of working capital changes, capital expenditures, debt principal reductions and other sources and uses of cash, which are disclosed in the consolidated statements of cash flows.

Adjusted EBITDA does not have any standardized meaning under GAAP. TeraGo’s method of calculating Adjusted EBITDA may differ from other issuers and, accordingly, Adjusted EBITDA may not be comparable to similar measures presented by other issuers. Please refer to the Company’s MD&A for the three months and fiscal years ended December 31, 2018 and 2017 for a reconciliation of net loss to Adjusted EBITDA.

Backlog MRR

The term “Backlog MRR” is a measure of contracted monthly recurring revenue (MRR) from customers that have not yet been provisioned. The Company believes backlog MRR is useful additional information as it provides an indication of future revenue. Backlog MRR is not a recognized measure under IFRS and may not translate into future revenue, and accordingly, investors are cautioned in using it. The Company calculates backlog MRR by summing the MRR of new customer contracts and upgrades that are signed but not yet provisioned, as at the end of the period. TeraGo’s method of calculating backlog MRR may differ from other issuers and, accordingly, backlog MRR may not be comparable to similar measures presented by other issuers.

ARPU

The term “ARPU” refers to the Company’s average revenue per customer per month in the period. The Company believes that ARPU is useful supplemental information as it provides an indication of our revenue from an individual customer on a per month basis. ARPU is not a recognized measure under IFRS and, accordingly, investors are cautioned that ARPU should not be construed as an alternative to revenue determined in accordance with IFRS as an indicator of our financial performance. The Company calculates ARPU by dividing our total revenue before revenue from early terminations by the number of customers in service during the period and we express ARPU as a rate per month. TeraGo’s method of calculating ARPU has changed from the Company’s past disclosures to exclude revenue from early termination fees, where ARPU was previously calculated as revenue divided by the number of customers in service during the period. TeraGo’s method may differ from other issuers, and accordingly, ARPU may not be comparable to similar measures presented by other issuers.

Churn

The term “churn” or “churn rate” is a measure, expressed as a percentage, of customer cancellations in a particular month. The Company calculates churn by dividing the number of customer cancellations during a month by the total number of customers at the end of the month before cancellations. The information is presented as the average monthly churn rate during the period. The Company believes that the churn rate is useful supplemental information as it provides an indication of future revenue decline and is a measure of how well the business is able to renew and keep existing customers on their existing service offerings. Churn and churn rate are not recognized measures under IFRS and, accordingly, investors are cautioned in using it. TeraGo’s method of calculating churn and churn rate may differ from other issuers and, accordingly, churn may not be comparable to similar measures presented by other issuers.

TeraGo at a Glance

200

Employees

3,000+

Customers

5

Data Centres

NATIONAL

Wireless and Fibre
Network

aws partner
network

Standard Tier

24/38 GHz

Spectrum covering
~8.6 billion MHz-Pops

Leading Canadian Provider of Enterprise Class Managed Cloud and
Connectivity Solutions Tailored to Mid-sized Businesses

TeraGo at a Glance

WHO

**Managed Cloud
and Connectivity
Solutions company**

WHAT

**Resilient
Hybrid Cloud
Solutions**

**Managed Private
Interconnection &
Public Internet**

HOW

**Operate Data Centres
and AWS**

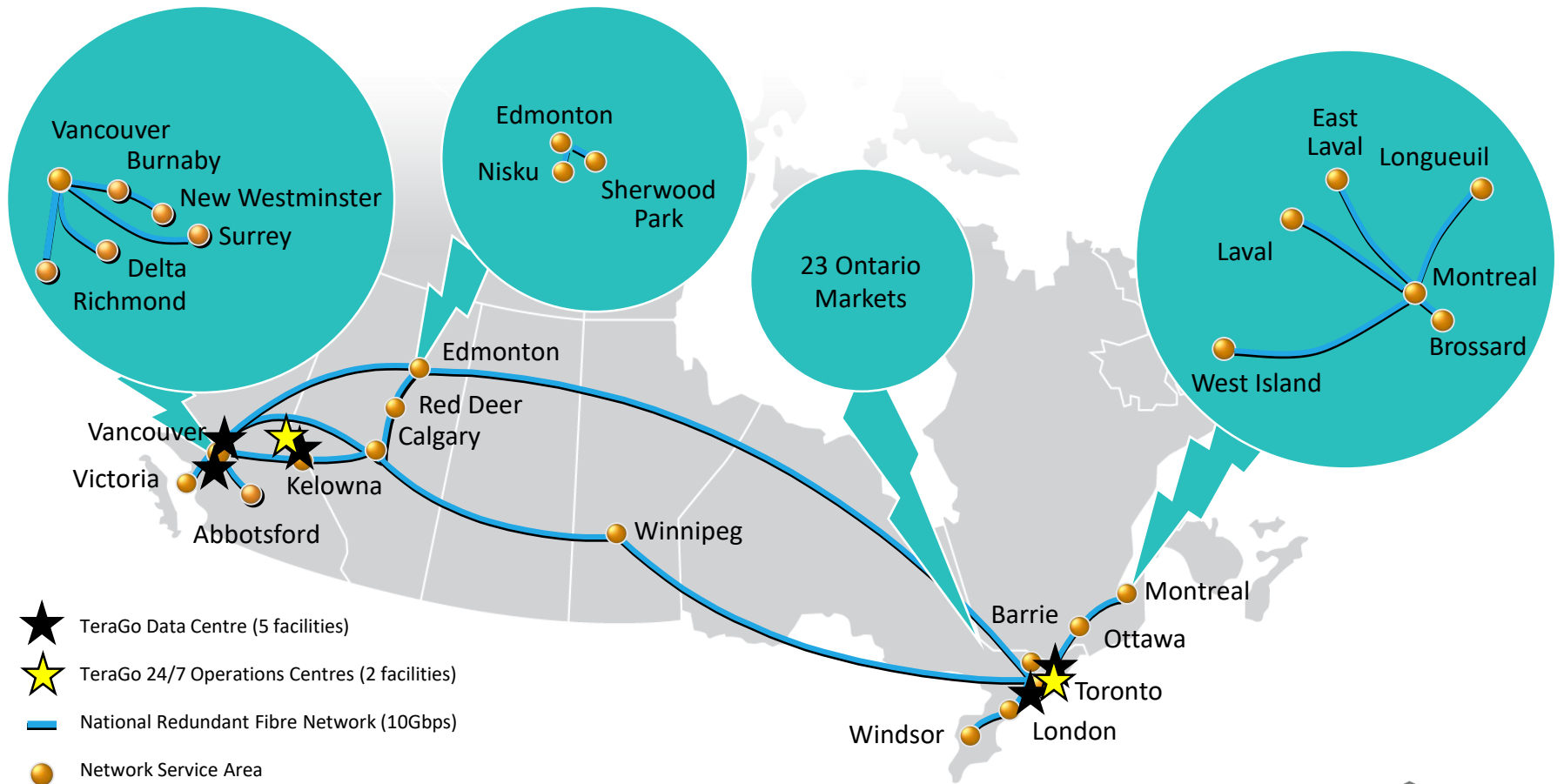
**National Wireless &
Fibre Network**

Leading Canadian Provider of Enterprise Class Managed Cloud and
Connectivity Solutions Tailored to Mid-sized Businesses

TeraGo Infrastructure

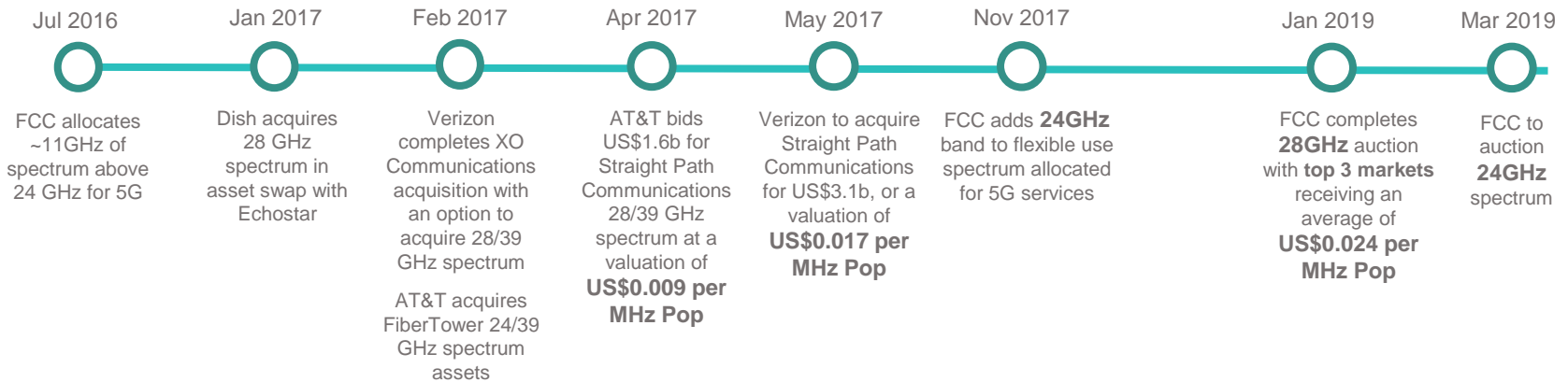
Redundant nationwide network integrated with our colocation and cloud facilities.

- Wireless equipment on over 600 rooftops
- Largest Portfolio of 24 and 38 GHz Fixed Wireless Spectrum Licences in Canada

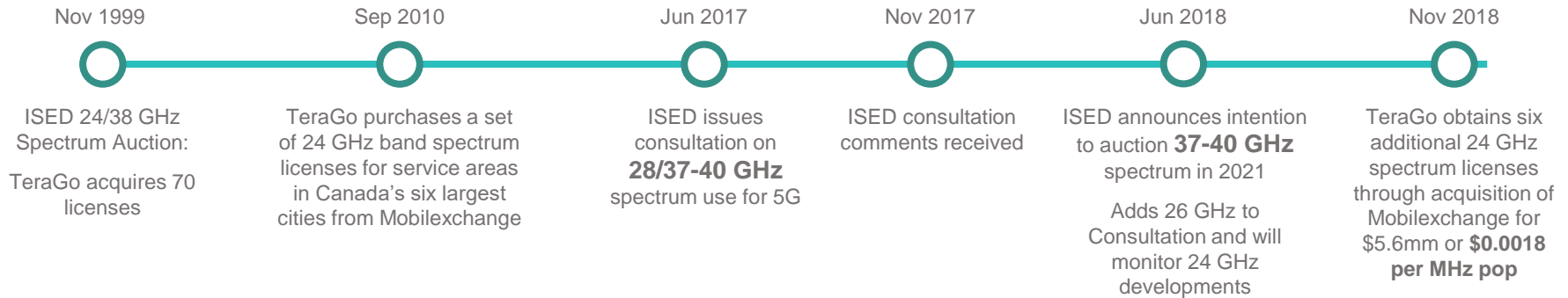


Millimetre Wave Spectrum for 5G

UNITED STATES



CANADA



Increasing U.S. valuations on mmWave spectrum

Our 24 and 38 GHz Spectrum

~8.6 b

MHz-Pops

19

Metropolitan Markets

>2/3

Canada's Population

Coverage includes 2,210 MHz of Canada's 6 largest cities

24 GHZ

- 14 of 20 licences issued
- Barrie
- Calgary
- Edmonton
- Montreal
- Ottawa
- Toronto
- Vancouver
- Victoria

38 GHZ

- 25 of 27 licences issued
- Barrie
- Kingston
- Leamington
- London
- Niagara
- Okanagan
- Red Deer
- St. Catharines
- St. Thomas
- Windsor
- Winnipeg
- Woodstock

Our Growth Imperatives

To be recognized by the mid-market as the one partner who understands their specific needs, and delivers the right offerings with the right support.

1

Stabilize the Connectivity Business

- Improve the Customer Experience
- Up-sell our existing customer base

2

Maximize Value from Spectrum Assets

- Drive Operating Leverage through higher Data Centre Utilization
- Maximize Value from Spectrum Assets

3

Growth from Cloud and Colocation

- Enhance our Offer and Simplify our Portfolio
- Invest in Enhanced Go-to-market Effectiveness

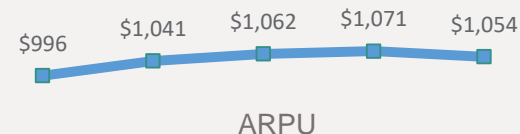
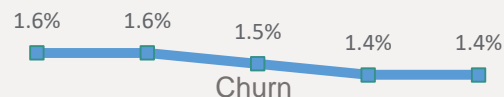
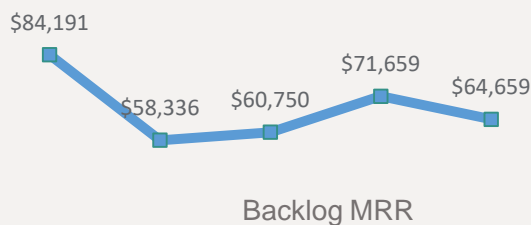
Stabilize the Connectivity Business

Drive **LOYALTY** through bundled offerings to increase multiproduct customers

Exceptional customer **SUPPORT**

- New customer lifecycle management framework
- Scheduled touchpoints
- Proactive account management

Focus on processes and systems to drive organizational **EFFICIENCY** and effectiveness



Reduce Churn and Create Up-sell Opportunities in Our Customer Base

Leverage Assets to Unlock Hidden Value

- Significant cross-sell and up-sell opportunities in our customer base
- Connectivity services that increase return on assets
- Data centres with capacity and the room to scale without new CAPEX



Strategically use our 24/38 GHz spectrum bandwidth to enhance competitiveness and maximize shareholder value

Focus on Value Creation

5G Fixed Wireless Access

- Completed the first phase of our 5G technical trial:
 - Up to 700 Mbps per customer end point
 - Latency of 3-4ms
- Second phase of the technical trial to focus on back office and provisioning processes
- Customer trials to commence before the end of 2019 for both enterprise and residential connectivity applications



TeraGo is uniquely positioned to be first carrier in Canada to launch 5G services

Growth from Cloud and Colocation: Enhance our Offer and Simplify our Portfolio

STREAMLINED and relaunched our entire portfolio

- Reduced SKUs by 60% and launched new packages for popular Cloud and Colocation configurations
- Launched Connectivity and Cloud services bundles to deliver enhanced value
- Joined AWS Partner Network and established our AWS Practice.

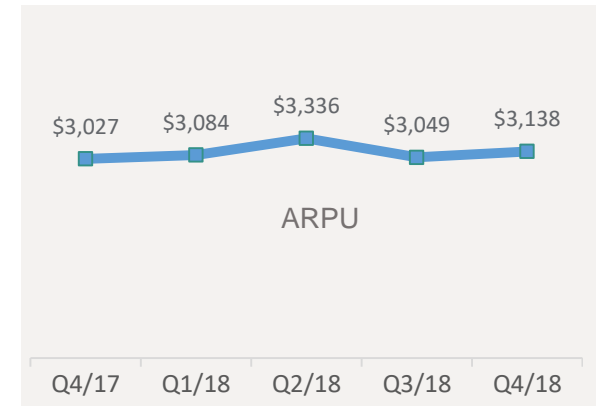
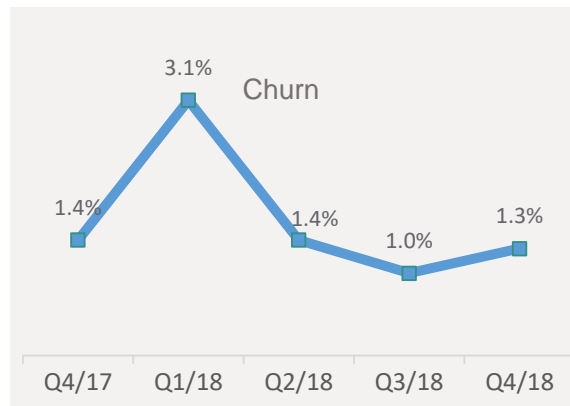
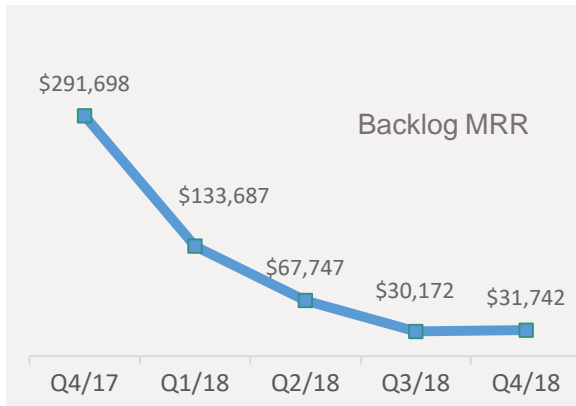


Revamped our Offering with New and Enhanced Solutions that Meet
the Specific Needs of Our Customers

Growth from Cloud and Colocation : Invest in Enhanced Go-to-Market Effectiveness

Sales and Marketing
Investments to
ACCELERATE
growth

- New CRM-driven demand and sales-generation programs
- Increased sales force by 25%
- New agency
- Revamped lead generation
- Launched new website



Investing in our Sales Organization to Accelerate Growth and
Target the Right Customers

FINANCIAL HIGHLIGHTS

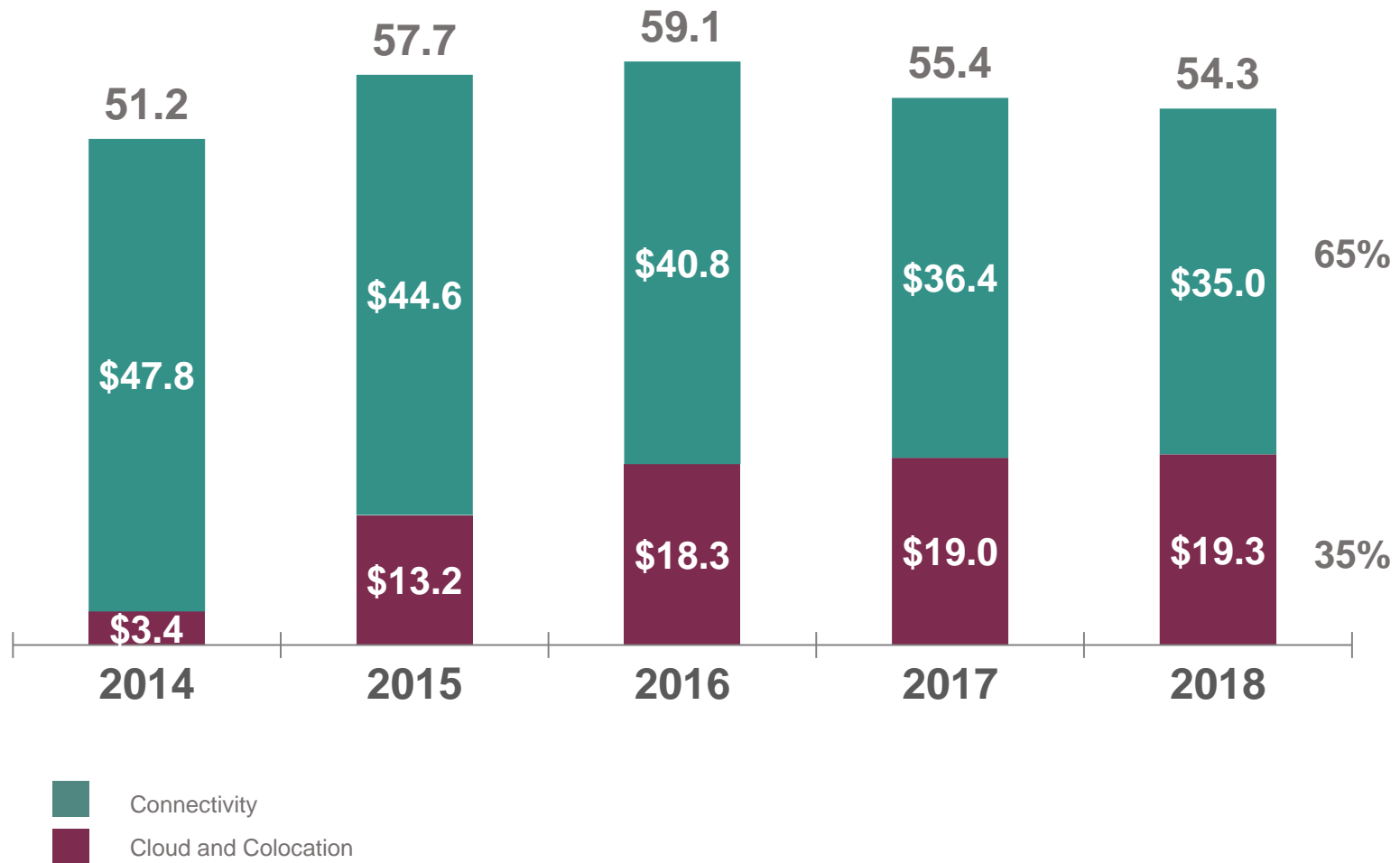


Growth Investment Backed by Strong Financial Position

- 1** | Profitable business and positive FCF generation
- 2** | Growth investments to drive operating leverage and ROIC
- 3** | Strong Balance Sheet with Financial Flexibility to Execute Growth Plan

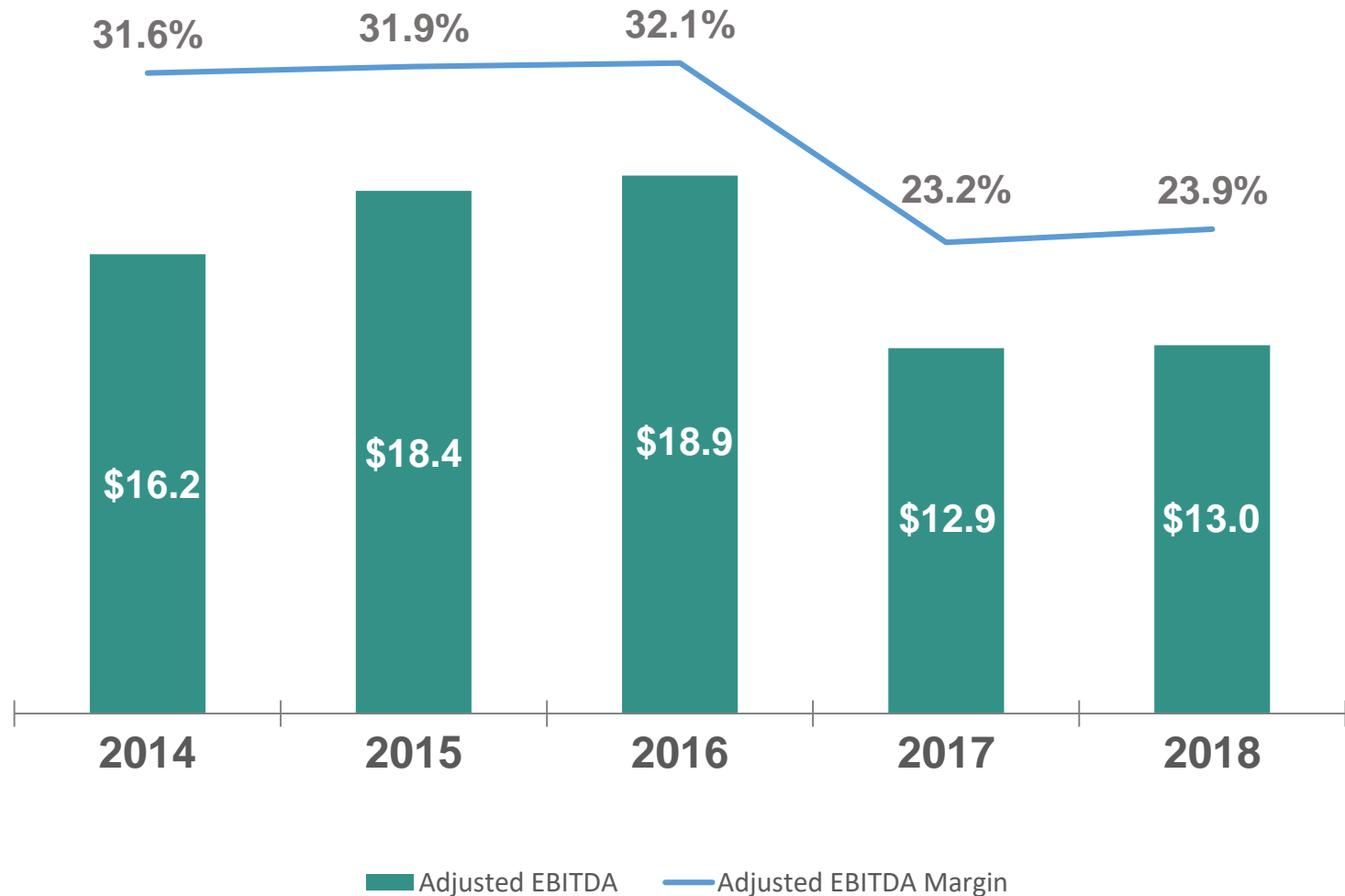
Focused on managing costs while strategically investing in growth initiatives

Revenue Streams Shifting to Cloud



All \$ figures in CAD millions

Stabilize EBITDA and Cash Flow



All \$ figures in CAD millions

Balance Sheet

Cash and cash equivalents	\$3.9
Unused operating line of credit ⁽¹⁾	\$10.0
Available acquisition facility	\$25.0
Total cash and access to credit ⁽¹⁾	\$38.9
Long-term debt	\$28.3
Operating Leverage	2.56

All \$ figures in CAD millions as at December 31st, 2018

(1) Excludes \$655k of letters of credit issued in favour of certain third parties.

Experienced Leadership Team

Strong Track Record

Antonio (Tony) Ciciretto
President & CEO

- President and CEO of Cogeco Peer 1 and Cogeco Data Services for over six years, where he was responsible for leading their market growth and development. Previously held executive leadership roles at Rogers and Bell over a 20 year period.

David Charron
Chief Financial Officer

- David has more than 20 years of financial leadership and experience in the IT services industry. Prior to joining TeraGo, David was CFO and Corporate Secretary at Redknee Solutions Inc. He has also held senior finance positions at Nortel Networks and Descartes Systems Group.

Ron Perrotta
Vice President,
Marketing & Strategy

- Ron has 30 years experience building businesses, strong teams and shareholder value in consumer goods and technology. Prior roles include SVP Marketing at Rogers, VP marketing & Strategy at Cogeco and marketing roles at Johnson & Johnson, Tropicana and Pfizer.

Duncan McGregor
Vice President, Engineering &
Operations

- Duncan is a seasoned executive with 20 years of global experience in the technology sector. Prior to joining TeraGo, Duncan served as the Global Vice President of Engineering Operations for Cogeco Peer 1, and held various senior roles at OpenText Corporation.

Mark Lau
Vice President, Legal &
General Counsel

- Over the past 5 years, Mark has led TeraGo's acquisitions of Mobilexchange, RackForce, BoxFabric, AirVM and the Mississauga Data Centre. He is the Company's liaison to ISED and CRTC on spectrum and regulatory matters. Previously spent 5 years at Borden Ladner Gervais LLP.

Summary



Enterprise-Class Cloud, Colocation, and Connectivity



One of Canada's Largest Holders of Millimetre Wave Spectrum



A Clear Growth Opportunity in 5G Fixed Wireless Access



Financial Strength to Fund Our Growth Strategy



Experienced Management Team Committed to Value Creation

Capital Markets Snapshot

Stock symbol	TSX: TGO
Shares outstanding	15.8 million
Price at Mar 19, 2019	\$10.90
52-week low / high	\$4.72 / \$11.49
Enterprise Value (“EV”)	\$196.6 million
EV / Adjusted TTM EBITDA	15.1x

