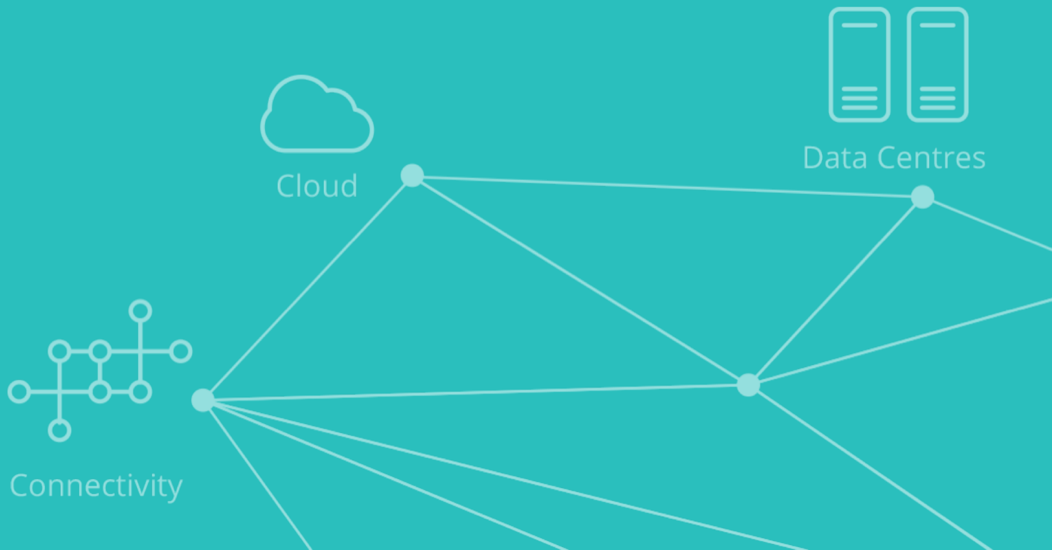
TeraGo

2019 Q2 Earnings Conference Call



Forward Looking Statements

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 in 2020 in advance of launching a fixed wireless 5G business, options available to leverage spectrum to create greater value for shareholders, funnel growth, leveraging channels and wholesalers, 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, future ISED decisions in upcoming Consultations being unfavourable to the Company, the technical 5G trial the Company is currently conducting may not generate the results intended, the lack of availability of suitable 5G radio equipment, the inability of the Company to successfully launch a 5G fixed wireless business, 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 each of the annual MD&A of the Company for the year ended December 31, 2018 and the MD&A for the three and six months ended June 30, 2019, both available on www.sedar.com. 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 and six months ended June 30, 2019 for a reconciliation of net loss to Adjusted EBITDA. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by Revenue in the applicable period.

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.

TONY CICIRETTO

PRESIDENT & CHIEF EXECUTIVE OFFICER

TeraGo Q2/19 Initiatives Update

1 Strengthening Sales Organization

- Welcomed Blake Wetzel as Chief Revenue Officer

2 Building a Premier Channel and Alliance Program

- Expand domestic sales reach
- U.S. wholesalers servicing customers with operations in Canada

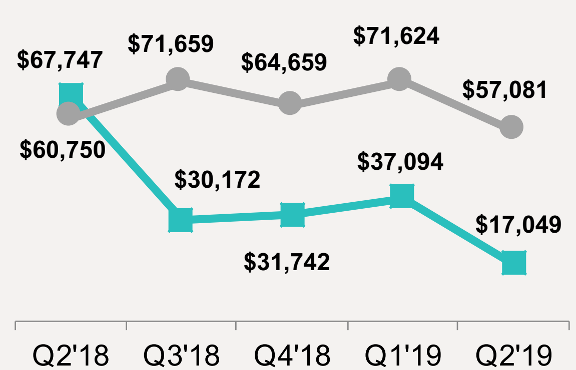
3 Positioned for 5G Fixed Wireless

- Completed $8.9 million bought deal offering to fund technical and customer trials in 2020 to support the development and of launch 5G fixed wireless services

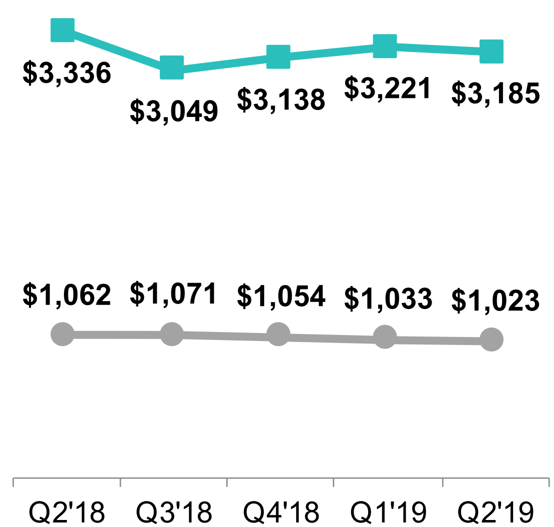
Focused on managing costs while strategically investing in growth initiatives

Key Operating Metrics

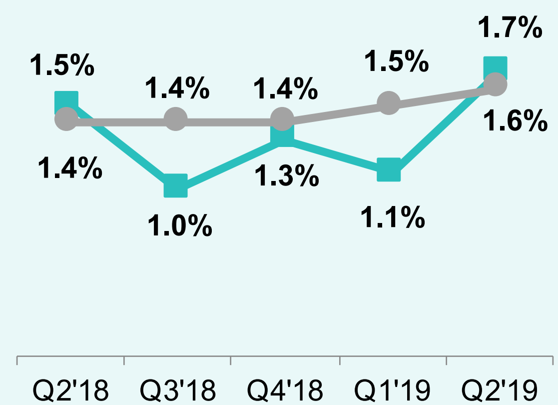
Backlog Monthly Recurring Revenue ($)



Average Revenue Per User ($)



Churn Rate (%)



Connectivity   Cloud & Colocation

Programs underway to improve enhance sales effectiveness, build our sales pipeline and broaden our sales reach through channel partnerships

Canada's largest holder of mmWave Spectrum

- ISED's decision to allow all 38 GHz spectrum conversion under a flexible use model upon expiry in 2025 provides much needed clarity and continuity to our business

- Second phase technical trial in early 2020:
  - 5G NR equipment
  - Back office and provisioning processes

- Customer trials in 2020:
  - Enterprise connectivity applications
  - Urban residential connectivity applications

24/38 GHz spectrum provides **scarcity value** and a **time to market** advantage to enhance competitiveness and increase shareholder value

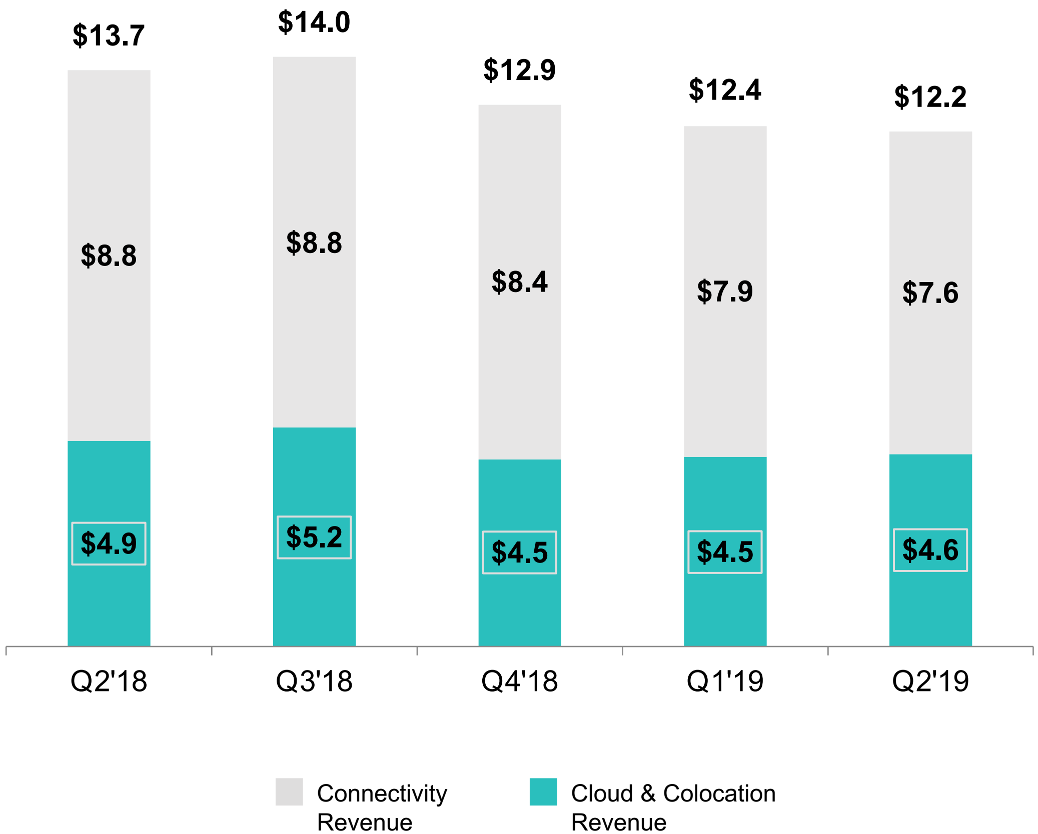
TeraGo's 24/38 GHz Spectrum covers ~8.6 billion MHz Pops including Canada's six largest cities and over 2/3 of the country's population

DAVID CHARRON

CHIEF FINANCIAL OFFICER

Revenue

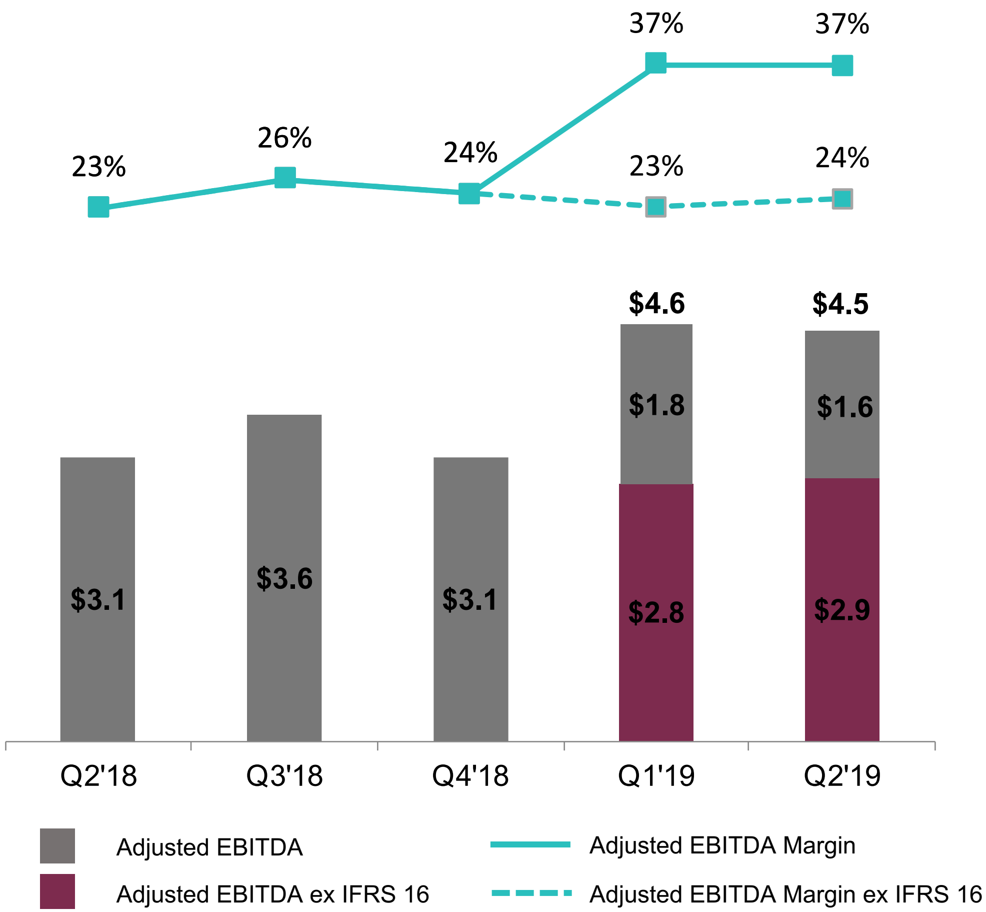
Revenue ($ millions)



- Total revenue decreased 10.9% to $12.2M in Q2’19, compared to $13.7M in Q2’18
- Connectivity revenue decreased 13.6% in Q2’19 compared to Q2’18
- Cloud and Colocation revenue decreased by 6.1% in Q2’19 compared to Q2’18

Adjusted EBITDA

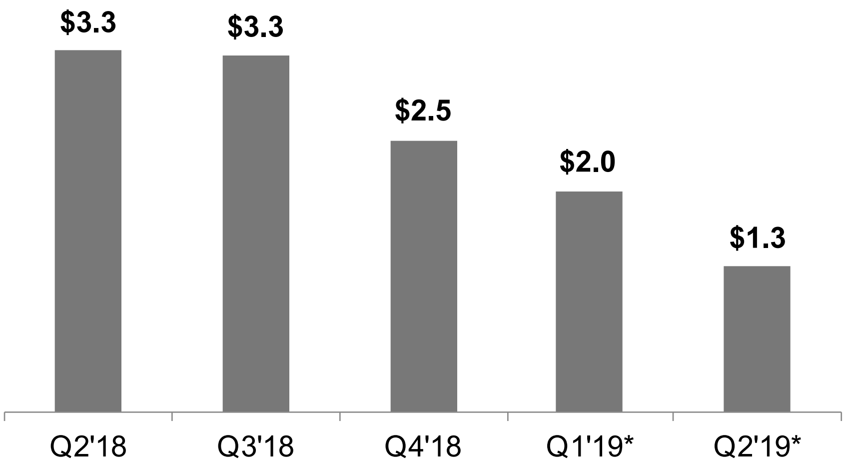
Adjusted EBITDA ($ millions)



- Adjusted EBITDA increased to $4.5M in Q2’19 compared to $3.1M in Q2’18 primarily driven by the adoption of IFRS 16
- Excluding the impact of IFRS 16, Adjusted EBITDA in Q2’19 would have been $2.9M
- Adjusted EBITDA margin was 37% in Q2’19 compared to 23% in Q2’18; excluding IFRS 16 Adjusted EBITDA margin for Q2’19 would have been 24%
- SG&A was $7.4M in Q2’19, a decrease from $8.1M in Q2’18
- Gross margin was 80.7% in Q2’19 compared to 74.7% in Q2’18

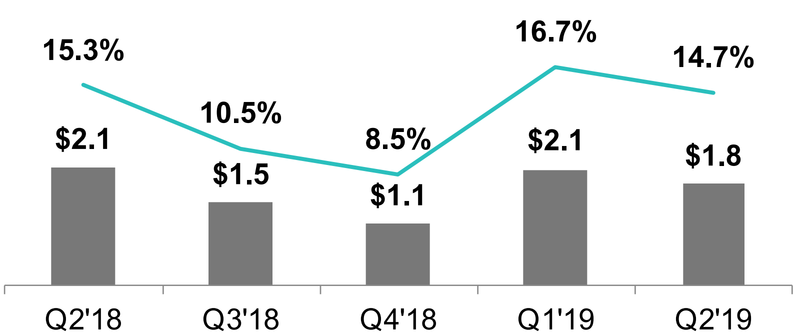
Capital Expenditures & Liquidity

Operating Cash Flow ($ millions)



*includes payment of lease liabilities now in cash flow from financing activities under IFRS 16

Capital Expenditures ($ millions)



- IFRS 16 adjusted cash generated from operating activities of $1.3M in Q2’19 compared to $3.3M in Q2’18
- Capital expenditures of $1.8M, or 14.7% of revenue
- Balance sheet highlights:
  - Cash balance of $1.6M
  - Unutilized $10M operating line
  - Acquisition facility of $25M
- Completed bought deal financing subsequent to Q2 end including exercise of over allotment option for gross proceeds of $8.9M
- Leverage at 2.5x adjusted EBITDA (adjusted for IFRS 16), below our covenant of 3.5x

TeraGo Summary

Building for Growth

- Initiatives to enhance sales effectiveness
- New channel partnerships to strengthen sales funnel

Improving Operating Leverage

- Lowered cost structure
- Significant headroom for core business growth without requiring a large capital investment

Value Creation

- Largest 24 and 38 GHz fixed wireless spectrum holder in Canada provides a time to market advantage
- Strengthened balance sheet to execute on 5G fixed wireless initiatives

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