



## TERAGO CLOSSES \$6.9 MILLION BOUGHT DEAL OFFERING

*THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT AUTHORIZED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES*

**Toronto, Ontario** – June 18, 2018 - TeraGo Inc. ("**TeraGo**" or the "**Company**") (TSX: TGO, [www.terago.ca](http://www.terago.ca)), is pleased to announce that it has closed its previously announced bought deal offering (the "**Offering**"), including the exercise in full of the underwriters' over-allotment option. The Company issued and sold today an aggregate of 1,302,950 Common Shares at a price of \$5.30 per Common Share for gross proceeds of \$6,905,635.

The Offering was carried out pursuant to an underwriting agreement dated June 4, 2018 with a syndicate of underwriters led by TD Securities Inc., and included Cormark Securities Inc. and Desjardins Securities Inc. (collectively, the "**Underwriters**").

The Company intends to use the net proceeds of the Offering to fund its acquisition of six 24 GHz spectrum licences for which it is currently leasing and any associated costs of such acquisition, as further disclosed in the final short form prospectus dated June 11, 2018 (the "**Final Prospectus**").

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

### **Forward-Looking Statements**

This news release includes certain forward-looking statements that are made as of the date hereof. Such forward-looking statements may include, but are not limited to the intended use of proceeds of the Offering and the proposed acquisition by the Company of additional spectrum. All such statements constitute "forward-looking information" as defined under, applicable Canadian securities laws. Any statements contained herein that are not statements of historical facts constitute forward-looking information. The forward-looking statements reflect the Company's views with respect to future events and is subject to risks, uncertainties and assumptions, including risks relating to the proposed acquisition of additional spectrum and those risks set forth in the "Risk Factors" sections in each of the Final Prospectus and the

annual MD&A of the Company for the year ended December 31, 2017, which is available on [www.sedar.com](http://www.sedar.com) under the Company's corporate profile. Factors that could cause actual results or events to differ materially include the inability to satisfy conditions of the proposed acquisition of additional spectrum, the failure to receive ISED approval with respect to the proposed acquisition of additional spectrum, and certain counterparty risks in dealing with the current holder of the 24 GHz spectrum licences from whom the Company will be acquiring the licences from. Accordingly, readers should not place undue reliance on forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed with the forward-looking statements. Except as may be required by applicable Canadian securities laws, TeraGo does not intend, and disclaims any obligation, to update or revise any forward-looking statements whether in words, oral or written as a result of new information, future events or otherwise.

### **About TeraGo**

TeraGo provides businesses across Canada with cloud, colocation and connectivity services. TeraGo manages over 3,000 cloud workloads, operates five data centres in the Greater Toronto Area, the Greater Vancouver Area, and Kelowna, and owns and manages its own IP network. The Company serves business customers in major markets across Canada including Toronto, Montreal, Calgary, Edmonton, Vancouver and Winnipeg. TeraGo Networks is a Competitive Local Exchange Carrier (CLEC) and was recognized by IDC as a Major Player in MarketScape Cloud Vendor Assessment. TeraGo Networks was also selected as one of Canada's Top Small and Medium Employers for 2017.

For more information about TeraGo, please visit [www.terago.ca](http://www.terago.ca).

### **TeraGo Investor Relations**

Dennis Fong, LodeRock Advisors

Telephone: 416-282-9930

Email: [ir@terago.ca](mailto:ir@terago.ca)