



## **TERAGO Welcomes ISED's Decision on 24 GHz and 38 GHz Licence Renewals**

*Decision Provides Certainty and Clarity for Investment with Potential to Repurpose the 24 GHz Band Prior to mmWave Auction*

**Toronto – May 15, 2024 – TERAGO Inc. (“TERAGO” or the “Company”)** (TSX: TGO, <https://terago.ca/>), announced corporate developments today and reiterated confidence in its Fixed Wireless and 5G strategy following the issuance of Innovation, Science and Economic Development Canada's ("ISED") [Decision on the Licencing Process For Existing Licensees in the 24 GHz and 38 GHz Bands and Considerations Related to the mmWave Auction](#) ("Decision").

The Decision re-iterated by the Minister of Innovation, Science and Industry's objectives for the licensing of the relevant licences in the 24 GHz band and 38 GHz band. These include to:

- foster investment and the evolution of wireless networks by enabling the development of high-quality 5G networks and technology; and
- support sustained competition in the provision of wireless services so that all consumers and businesses benefit from greater choice and competitive prices.

"The Decision provides certainty and clarity on our spectrum licenses, allowing TERAGO to continue to drive innovation and increase investments in its next generation wireless connectivity offerings for Canadian businesses. These next generation offerings foster a growing, competitive and knowledge-based Canadian economy." said TERAGO CEO, Daniel Vucinic. "Spectrum is the lifeblood of any wireless business. As a significant owner of 24 GHz and 38 GHz mmWave spectrum, this decision provides increased visibility on the long-term, ensuring fair usage of our wireless spectrum and driving our ability to invest in a diverse and competitive offering for Canadian business customers." he added.

### **About the Decision:**

Two major parts to this Decision address: (1) Licence Renewals; and (2) Potential for repurposing the 24 GHz band prior to finalizing the mmWave auction framework.

- **For Licence renewals**, existing 24 GHz and 38 GHz spectrum licensees must demonstrate to ISED's satisfaction that they have met all conditions of Licence indicated in the 2014 Renewal Decision. Also, these licences will be issued annually and will be renewed annually until a new licencing process is established for 24 GHz and a future transition to flexible use can occur for 38 GHz bands.

This is significant as TERAGO will continue to hold all existing licences, ensuring no disruption of services, additional costs, changes, restrictions and spectrum "claw back" until a new framework and mmWave auction occurs. Most of all, it provides additional certainty and clarity to TERAGO's clients, employees, and shareholders.

- **For the 24 GHz band**, ISED received a number of comments requesting it to be repurposed and auctioned along with the proposed 26, 28 and 38 GHz mmWave bands. ISED recognized that understanding the full range of spectrum that will be made available for auction in the mmWave bands will allow stakeholders to better determine their valuation for mmWave licences and that the potential use cases for mmWave spectrum, including the amount of spectrum needed for them, are still developing.

As such, ISED plans to consult on the potential for repurposing the 24 GHz band prior to deciding on the timing and structure of the proposed mmWave auction. Furthermore, ISED recognizes the 24 GHz licensees' need for certainty regarding the future of their licences in order to continue to provide service and invest in infrastructure.

ISED also recognizes that a future flexible use licensing process would enable the continuation of existing 24 GHz band services and support the growing demand for next-generation wireless services.

The 3rd Generation Partnership Project (3GPP) has standardized 24 GHz band as part of the global band for 5G. ISED continues to work towards that direction since they upgraded 24 GHz to Priority 1 in August 2023 and is consulting on the repurposing of it prior to deciding on the mmWave auction.

### **About TERAGO**

TERAGO provides managed wireless and wireline connectivity and private 5G wireless networking services to businesses operating across Canada. As Canada's biggest mmWave spectrum holders, the Company possesses exclusive spectrum licenses in the 24 GHz and 38 GHz spectrum bands, which it utilizes to provide secure, dedicated SLA guaranteed enterprise grade performance that is technology diverse from buried cables ensuring high availability connectivity services. TERAGO serves over 1,900 Canadian and Global businesses operating in major markets across Canada, including Toronto, Montreal, Calgary, Edmonton, Vancouver, Ottawa and Winnipeg, and has been providing wireless services since 1999. For more information about TERAGO, please visit [www.terago.ca](http://www.terago.ca).

For further information, please contact:  
Daniel Vucinic Chief Executive Officer  
Email: [investor@terago.ca](mailto:investor@terago.ca)

### **Forward-Looking Statements**

This news release includes certain forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond TERAGO's control. Forward-looking statements may include but are not limited to statements regarding the further developing our 5G Fixed Wireless Access program, consistently executing across all fronts of the business, success in providing Canadian enterprises with managed services and the 5G fixed wireless trials being conducted by the Company. 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 those risks set forth in the "Risk Factors" sections in the annual MD&A of the Company for the year ended December 31, 2023 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 consistently achieve sales growth across all lines of TERAGO's business including managed services, inability to complete successful 5G technical trials, the results of the 5G trials not being satisfactory to TERAGO or any of its technology partners, regulatory requirements may delay or inhibit the trial, the economic viability of any potential services that may result from the trial, the ability for TERAGO to further finance and support any new market opportunities that may present itself, and industry competitors who may have superior technology or are quicker to take advantage of 5G technology. Accordingly, readers should not place undue reliance on forward-looking statements as several 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.