



NEWS RELEASE

Conterra Broadband Completes New Debt Facilities of Up to \$94 Million

CHARLOTTE, NORTH CAROLINA, July 21, 2011 – Conterra Ultra Broadband Holdings, Inc. (d/b/a Conterra Broadband Services), a national telecom transport carrier specializing in the design, deployment and operation of hybrid—microwave/fiber—broadband networks, today announced completion of new senior-secured credit facilities that provide the company with up to \$94 million of borrowing capacity from a bank group including CoBank, ACB, Bank of America, N.A., Webster Bank, N.A. and Cooperative Bank members of the Farm Credit System.

The five-year term loan and revolving credit facilities are comprised of \$79 Million of current lending commitments and the conditional ability to expand the facilities under existing terms by an additional \$15 Million. The new credit facilities were arranged by CoBank, Bank of America and Stephens Inc.

The net proceeds of this financing will be primarily used to fund additional network deployments to support Conterra’s rapidly expanding offerings of high-capacity, carrier-grade broadband services for wireless carrier, education, healthcare and government customers primarily in rural, underserved regions of the United States, and to repay its existing senior secured loan. The company also maintains substantial cash reserves from the proceeds of a \$25 million equity offering led by Goldman Sachs in 2010 and positive cash flow from its operations.

“We expect the demand for high-quality, high-bandwidth telecom transport services to soar over the next several years, particularly in rural areas of the country where rapid and reliable internet access is often still far behind that which is available in urban areas, commented Conterra’s Chairman and Chief Executive Officer, Steve Leeolou. “We believe that having decades of proven telecom expertise and the funding in-hand to meet the tightening rollout schedules of these capital intensive broadband network projects give Conterra a unique and sustainable competitive advantage in the rural broadband marketplace,” added Mr. Leeolou.

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About Conterra

Conterra Broadband Services is a highly experienced Ethernet and TDM transport carrier that specializes in the design, deployment and operation of customized broadband networks in rural areas. During the last decade Conterra has connected more than a thousand rural sites in 20 states, bringing high-capacity transport services to the wireless, educational and healthcare industries. Conterra builds networks with owned fiber, customized microwave networks and aggregated fiber from smaller carriers to reach sites with high-capacity Ethernet and TDM services.

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