



## **Digerati Technologies, Inc. Completes Acquisition of Synergy Telecom, Inc.**

- Enhances Organization with Seasoned Sales Team -
- Doubles Texas-Based Revenue -
- Implements New Tool for Accelerating Organic Growth -

**San Antonio, TX – December 5, 2017** - Digerati Technologies, Inc. (**OTCQB: DTGI**) ("Digerati" or the "Company") today reported that the Company has completed the acquisition of Synergy Telecom, Inc. ("Synergy"), a leading provider of cloud communication services in Texas. Digerati's wholly-owned subsidiary, Shift8 Networks, Inc. ("Shift8"), is combining Synergy with its Texas-based business and operations, and is expected to immediately double the Company's Texas-based revenue.

The combination of Shift8 and Synergy creates a customer-focused organization with a culture of exceptional service. Synergy's sales-driven and seasoned operating team further positions the Company for execution on its two-pronged approach for hyper-growth, which includes adding revenue both organically and through the acquisition of profitable operators. The Company also reported that it launched Salesforce to equip sales and support with a single platform for delivering faster, smarter and more personalized service to its customers and value-added resellers ("VARs") while further enhancing response times. This leading sales and Customer Relationship Management ("CRM") tool, that becomes the nucleus for sales quoting and reporting, also streamlines order processing and automates help desk operations. Strategically, the Company is setting the stage for this and other key 'best practices' to be integrated into future acquisitions.

As previously reported, Mr. Charlie Slaughter and Mr. Ryan McDowell, Synergy's President and VP of New Business Development respectively, will join the Company as part of the business combination. Mr. Slaughter has over twenty-one years of experience in the communications and technology industries, all with an emphasis on sales and 'exceptional customer service.' Mr. McDowell has over fourteen years of communications and technology industries experience, and most recently served as a Regional Channel Manager for Vonage Business. As part of the transaction, Shift8 further enhanced its sales team with the addition of Mr. Brandon Chenault as Channel and Enterprise Account Manager. Mr. Chenault brings fifteen years of telecom industry experience and most recently sold the entire product portfolio, including cloud and fiber solutions, for Spectrum with an emphasis on the enterprise market in Texas.

The combined Company will maintain corporate operations in San Antonio, Texas and continue its strategic focus of serving the small-to-medium-sized-business ("SMB") market. The Shift8/Synergy customer base, comprised of nearly 5,000 business users, includes Inter National Bank, Texas Workforce Solutions, Execupay, Bank of South Texas, Harrington Industrial Plastics, Vantage Bank, Star Shuttle, and many government accounts including the Texas cities of Glen Rose, Lake Worth, and Rockport, along with the Aransas County Appraisal District.

Charlie Slaughter, President of Synergy, stated, "We anticipate that the cultural and operational efficiencies of this business combination will result in increased market share for us in Texas. We hit

the ground running on several new revenue opportunities developed over the prior thirty days that we can now serve more expeditiously through increased personnel resources and network capacity.”

Arthur L. Smith, CEO of Digerati, commented, "Being that Synergy operates on an identical cloud communication platform as Shift8, we identified several cost synergies early on, so that upon closing, we could immediately implement these measures. We anticipate realizing most of these savings over the next 90 - 120 days as our sales team ramps-up on our efforts to drive revenue growth.”

Total consideration paid by the Company for the acquisition of Synergy consisted of cash, restricted stock, and a promissory note with revenue assurance covenants payable over 15 months. Related financial information and results for the Shift8/Synergy combination will be reported on Digerati’s Form 10Q quarterly report for the period ending January 31, 2018. For more information on Synergy, please visit [www.synergytele.com](http://www.synergytele.com).

The Company also reported that it anticipates completing its acquisition of T3 Communications, Inc. (“T3”), a leading provider of cloud communication and broadband solutions in Southwest Florida, in approximately thirty days, and upon completing certain milestones related to an audit of T3 initiated prior to Hurricane Irma. For more information on T3, please visit [www.t3com.com](http://www.t3com.com).

Digerati is a publicly-traded holding company, with a track record of launching and managing successful subsidiary operations, and is a multi-year recipient of Deloitte’s Fast500 and Fast50 Awards, for recognition as one of the fastest growing technology companies in North America. Through its subsidiary, Shift8 Networks, the Company is meeting the global needs of businesses seeking simple, flexible, efficient, and cost-effective communication solutions, including fully-hosted IP/PBX, VoIP transport, SIP trunking, and customized VoIP services, all delivered **Only in the Cloud™** on its carrier-grade network. Former subsidiaries include ATSI Communications, Inc., an international telecommunications operator serving emerging markets throughout Mexico and Latin America, as well as GlobalSCAPE, Inc., an Internet software company trading on the NYSE that specializes in secure file transfer through its popular utility, CuteFTP. Other subsidiaries have included a global VoIP carrier and oilfield service businesses operating in the Bakken Shale. For more information, please visit [www.digerati-inc.com](http://www.digerati-inc.com).

## **FORWARD-LOOKING STATEMENTS**

The information in this news release includes certain forward-looking statements that are based upon assumptions that in the future may prove not to have been accurate and are subject to significant risks and uncertainties, including statements related to the future financial performance of the Company. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it can give no assurance that such expectations or any of its forward-looking statements will prove to be correct. Factors that could cause results to differ include, but are not limited to, successful execution of growth strategies, product development and acceptance, the impact of competitive services and pricing, general economic conditions, and other risks and uncertainties described in the Company’s periodic filings with the Securities and Exchange Commission.

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