

## Teranet Advises Unitholders to Take No Action Regarding Borealis Announcement

**Toronto, ON – September 15, 2008** – Teranet Income Fund (TSX: TF.UN) (the “Fund”) today advised its unitholders to take no action at this time with respect to an announcement late Friday by Borealis Infrastructure Management Inc. (“Borealis”) that it has launched a formal offer to purchase all of the outstanding trust units of the Fund and Class B limited partnership units of Teranet Holdings Limited Partnership for \$11 in cash per unit.

“We are well underway with a process to solicit potential alternative transactions that may provide greater value to unitholders, and unitholders should wait for the outcome of this process before making any decisions,” said Aris Kaplanis, President and Chief Executive Officer of Teranet Inc. (“Teranet”). “We have received considerable interest so far from potential bidders who have signed confidentiality and stand-still agreements in order to obtain internal information about Teranet. This information is not available to Borealis, as it has declined to participate in the process.”

As previously disclosed, the board of directors of Teranet has established a Special Committee to manage the process and to evaluate the Borealis offer. The Special Committee, together with Teranet’s advisors, will evaluate and consider the adequacy of the Borealis offer, consider the full range of alternatives to maximize unitholder value and make a recommendation to the board of Teranet and the board of trustees of the Fund.

The board of trustees of the Fund in turn will provide to unitholders a Trustees’ Circular that will contain important information, including the board’s formal recommendation regarding the offer. The Trustees’ Circular will also be filed on SEDAR, the Teranet website, and with Canadian securities commissions. **Teranet advises unitholders to read the Trustees’ Circular in its entirety once it is made available, and to defer making any determination with respect to the Borealis offer until reading the Trustees’ Circular.**

The Fund also announced today that, in connection with its recently implemented unitholder rights plan, the Fund has been advised by the Toronto Stock Exchange that in accordance with its usual practice where a proposed take-over bid has been announced, the TSX will defer its consideration of the plan. The unitholder rights plan remains in effect in accordance with its terms.

### About Teranet

Teranet offers e-services to the legal, real estate, government, financial and healthcare markets. Teranet provides exclusive access to Ontario’s Electronic Land Registration System (“ELRS”), enabling customers to conduct electronic registrations as well as title and writ searches relating to real property. Teranet has also leveraged its core competencies to create electronic service offerings in complementary areas. Teranet’s comprehensive products and services include property information, transaction management, collateral risk management, geospatial information, workflow software and enterprise solutions. Teranet Income Fund units are listed on the Toronto Stock Exchange under the symbol TF.UN. For more information about Teranet, visit [www.teranet.ca](http://www.teranet.ca).

## **Forward-Looking Statements**

This news release contains statements that, other than statements of historical fact, may be forward-looking statements about the objectives, financial condition and results of operations of the Fund. These statements are forward-looking and reflect management's current views and are based on certain assumptions and expectations. Actual results could be materially different from expectations if known or unknown risks affect the business, or if estimates or assumptions turn out to be inaccurate. No forward-looking statement is a guarantee of future results. Investors are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements do not take into account the effect that transactions or non-recurring items announced or occurring after the statements are made may have on the business. Teranet disclaims any intention or obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason, except as required by law. These statements are subject to a number of risks described in the Risk Factors section of the last quarter's MD&A, which is available at [www.sedar.com](http://www.sedar.com). Risk Factors may cause actual results to differ materially from those contained in forward-looking statements.

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