

Siyata Mobile Announces Brokered Private Placement of up to CDN\$10 Million in Unsecured Convertible Debentures

written by Raj Shah | December 5, 2019



December 4, 2019 ([Source](#)) – Siyata Mobile Inc. (the “**Company**” or “**Siyata**”) (TSX-V:[SIM](#)) (OTCQX:SYATF) is pleased to announce it has entered into an engagement letter with PI Financial Corp. to act as sole bookrunner and co-lead agent together

with Canaccord Genuity Corp. (collectively, the “**Co-Lead Agents**”), and with Paradigm Capital Inc. and Beacon Securities Limited (together with the Co-Lead Agents, the “**Agents**”) in connection with a brokered private placement financing (the “**Offering**”) to raise up to CDN\$10,000,000.00 through the issuance of unsecured convertible debentures (the “**Convertible Debentures**”). The size of the Offering may be increased up to 15% at the option of the Agents.

The Company will offer up to 10,000 Convertible Debentures at an issue price of CDN\$950.00 per CDN\$1,000 principal amount of the Convertible Debentures. Each Convertible Debenture will be convertible, at the option of the holder, into 2,222 common shares in the capital of the Company (the “**Common Shares**” and each, a “**Common Share**”) at a price of CDN\$0.45 (the “**Conversion Price**”) per Common Share, subject to adjustment in certain

events.

Each Convertible Debenture will bear interest at a rate of 12.0% per annum from the date of issue, payable in cash quarterly in arrears. Any unpaid interest payments will accrue and be added to the principal amount of the Convertible Debenture.

The Convertible Debentures will mature twenty-four (24) months (the "**Maturity Date**") after the date of issuance and are redeemable at 101% of the face value at any time after 12 months from the closing date.

On the closing date, each purchaser will also receive one (1) non-transferrable common share purchase warrant (each, a "**Warrant**") for each CDN\$1.00 principal amount of the Convertible Debentures purchased by such purchaser. Each Warrant will entitle the holder to acquire one Common Share (each, a "**Warrant Share**") at an exercise price of CDN\$0.45 per Warrant Share for a period of thirty-six (36) months after the date of issue.

In consideration of the services to be provided by the Agents, the Company will pay a cash commission of up to 7% of the Offering proceeds and will grant the Agents common share purchase warrants (each, a "**Broker Warrant**") equal to 7% of the gross proceeds of the Offering divided by \$0.415. Each Broker Warrant entitles the holder to acquire an additional Common Share (each, a "**Broker Warrant Share**") at a price of CDN\$0.415 (the "**Reference Price**") per Broker Warrant Share for a period of twenty-four (24) months after the date of issue.

The Company has also agreed to offer to the existing debenture holders in the principal amount of \$4,600,000 (the "**Principal Amount**") due June 28, 2020 (the "**Existing Debentures**"), the right to participate in the Offering by amending the terms of the issued and outstanding Existing Debentures on equivalent terms as the Offering (the "**Amendment**"). A condition to closing

of the Offering is the participation of the holders of at least 50% of the Principal Amount of the Existing Debentures in the Offering by agreeing to the Amendment (the “**Minimum Debenture Amendment**”).

The Company will also pay an advisory fee to the Co-Lead Agents equal to \$200,000 if the Minimum Debenture Amendment is achieved (the “**Advisory Fee**”). The Advisory Fee is payable in cash or Common Shares (issued at the Reference Price), at the Company’s Option.

The Offering and the participation of the holders of the Existing Debentures pursuant to the Amendment remains subject to the approval of the TSX Venture Exchange, as well as customary legal and business due diligence by the Agents. The securities issued pursuant to the Offering will be subject to a statutory hold period of four (4) months and one (1) day. Net proceeds of the Offering will be used to: (i) pay down any Existing Debentures that are not amended pursuant to the Amendment; (ii) fund general working capital; and (iii) ramp up the Company’s North American operations.

Marc Seelenfreund, CEO and Chairman of Siyata, commented, “We are pleased to have this financing in place as it will allow us to achieve our aggressive growth targets now that we have completed device certification at the leading US and Canadian cellular carriers. We have a very exciting 2020 ahead of us and this is a strong vote of confidence in our activities from the financial markets.”

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.

About Siyata

A TSX Venture Top 50 Company, Siyata Mobile Inc. is a leading global developer and provider of cellular communications systems for enterprise customers, specializing in connected vehicle products for professional fleets, marketed under the Uniden® Cellular brand. Siyata has been a pioneer in the industry, launching the world's first LTE all-in-one fleet communications device in 2017. Incorporating voice, push-to-talk over cellular, data, and fleet management solutions into a single device, the company aims to become the connected vehicle communications device of choice for commercial vehicles and fleets around the world.

Siyata also offers rugged phones for industrial users and signal boosters for homes, buildings, and fleets with poor cell coverage. Siyata's customers include cellular operators, commercial vehicle technology distributors, and fleets of all sizes in Canada, the U.S., Europe, Australia, and the Middle East.

Visit www.siyatamobile.com and <http://www.unidencellular.com/> to learn more.

On Behalf of the Board of Directors of:

SIYATA MOBILE INC.

Marc Seelenfreund
CEO and Chairman

Neither TSX Venture Exchange nor its Regulation Services

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This news release may include forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements except as required under the applicable laws.