Siyata Mobile Closes Private Placement of CDN$7,866,000 in Unsecured Convertible Debentures

written by Raj Shah | December 24, 2019



December 23, 2019 (Source) – Siyata Mobile Inc. (the "**Company**" or "**Siyata**") (TSX-V:SIM) (OTCQX:SYATF) is pleased to announce it has closed its previously announced brokered private placement (the "**Offering**") with co-lead agents, PI Financial Corp. and 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**"). Pursuant to the Offering the Company has issued $7,866,000 in principal amount of unsecured convertible debentures (the "**Convertible Debentures**").

The Convertible Debentures included new subscriptions for $4,547,000 in principal amount, with the balance representing the rollover of certain of the Company's previously issued debentures due on June 28, 2020. The Convertible Debentures were issued at a price of $950 per $1,000 in principal amount.

Each $1,000 in principal amount of Convertible Debenture is 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 standard 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. The Convertible Debentures will mature on December 23, 2021 (the "**Maturity Date**") and are redeemable by the Company at 101% of the face value at any time after December 23, 2020.

On the closing each purchaser also received one (1) common share purchase warrant (each, a "**Warrant**") for each CDN$1.00 principal amount of the Convertible Debentures acquired. Each Warrant entitles the holder to acquire one Common Share (each, a "**Warrant Share**") at an exercise price of CDN$0.45 per Warrant Share on or before December 23, 2022.

In consideration of the services to be provided by the Agents, the Company paid a cash commission of $302,375.50 and granted the Agents an aggregate of 728,616 common share purchase warrants (each, a "**Broker Warrant**"). Each Broker Warrant entitles the holder to acquire an additional Common Share (each, a "**Broker Warrant Share**") at a price of CDN$0.415 per Broker Warrant Share on or before December 23, 2021.

The Company also paid an advisory fee to the Co-Lead Agents consisting of an aggregate of 481,928 common shares (the "**Advisory Fee**") by virtue of having achieved at least a 50% participation from the pre-existing holders of the debentures due on June 28, 2020.

The securities issued pursuant to the Offering, including the Broker Warrants and the Common Shares issued in connection with the Advisory Fee, are subject to a statutory hold period, expiring on April 24, 2020. Net proceeds of the Offering will be used to: (i) pay down the Company's obligations under any remaining debentures due on June 28, 2020; (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 complete this financing as it positions us to effectively deal with our June 2020 debenture principal repayment and secures additional working capital to help achieve our aggressive growth targets in 2020. Now that we have launched the UV350 at the leading US and Canadian cellular carriers, we have a very exciting 2020 ahead of us.”

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

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This news release may include forward-looking statements that are subject to risks and uncertainties. Such forward-looking statements include, but are not limited to, matters regarding the ability of the Corporation to pay interest payable pursuant to the Convertible Debentures and to achieve its growth targets; the use of the net proceeds from the Offering; and the confidence of the financial markets in the Corporation's activities. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forwardlooking 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.