

SIYATA MOBILE INC.
(formerly Teslin River Resources Corp.)

Condensed Consolidated Interim Financial Statements
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

As at and for the six months ended June 30, 2015 and 2014

Siyata Mobile Inc.
(formerly Teslin River Resources Corp.)
(the “Company” or “Siyata”)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the six months ended June 30, 2015

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The Management of the Company is responsible for the preparation of the accompanying unaudited condensed consolidated interim financial statements. The unaudited condensed consolidated interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards (“IFRS”) for the preparation of condensed consolidated interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

The Company’s auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditor.

Siyata Mobile Inc.**(formerly Teslin River Resources Corp.)**

Condensed Consolidated Interim Statements of Financial Position

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

As at

	June 30, 2015	December 31, 2014
Assets		
Current Assets		
Cash	\$ 14,994	\$ 166,447
Prepaid expenses	80,492	-
Receivables	8,675	2,794
	104,161	169,241
Non-current Assets		
Deposit (Note 6)	5,158	4,798
Total Assets	\$ 109,319	\$ 174,039
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities (Note 7)	\$ 59,961	\$ 27,031
Shareholders' Equity		
Share capital (Note 8)	13,029,764	13,029,764
Share-based payment reserve (Note 8)	1,564,407	1,564,407
Deficit	(14,544,813)	(14,447,163)
	49,358	147,008
Total Liabilities and Shareholders' Equity	\$ 109,319	\$ 174,039

Nature of Operations and Going Concern (Note 1)

Subsequent Events (Note 11)

Approved on August 31, 2015 on behalf of the Board:

"Gil Gurfinkel"

Gil Gurfinkel – Director

"Marc Seelenfreund"

Marc Seelenfreund – Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Siyata Mobile Inc.**(formerly Teslin River Resources Corp.)**

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

As at

	For the three months ended June 30,		For the six months ended June 30,	
	2015	2014	2015	2014
Expenses:				
Foreign exchange	\$ 56	\$ 735	\$ (1,148)	\$ (52)
Insurance	-	1,154	-	1,763
Interest expense	-	9,256	-	17,905
Office and rent	4,135	273	8,480	619
Professional fees	50,196	(499)	56,315	(163)
Regulatory and filing fees	11,170	3,039	12,327	9,136
Shareholder relations	1,264	1,844	1,658	2,119
Travel	12,164	-	20,018	-
Net loss and comprehensive loss for the period	\$ (78,985)	\$ (15,802)	\$ (97,650)	\$ (31,327)
Weighted average number of shares outstanding	8,880,482	5,055,362	8,880,482	5,055,362
Basic and diluted loss per share	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)

See also Note 8(c).

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Siyata Mobile Inc.**(formerly Teslin River Resources Corp.)**

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity / Deficiency

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

As at

				<u>Reserves</u>			
	Number of Common Shares	Share Capital Amount	Obligation to issue common shares	Share-based payment reserve	Warrants	Deficit	Total Shareholders' Equity
Balance, December 31, 2013	5,055,362	\$ 11,863,489	\$ 15,000	\$ 1,182,537	\$ 130,600	\$ (13,433,697)	\$ (242,071)
Loss and comprehensive loss for the period	-	-	-	-	-	(31,327)	(31,327)
Balance, June 30, 2014	5,055,362	\$ 11,863,489	\$ 15,000	\$ 1,182,537	\$ 130,600	\$ (13,465,024)	\$ (273,398)
Balance, December 31, 2014	8,880,482	\$ 13,029,764	\$ -	\$ 1,433,807	\$ 130,600	\$ (14,447,163)	\$ 147,008
Loss and comprehensive loss for the period	-	-	-	-	-	(97,650)	(97,650)
Balance, June 30, 2015	8,880,482	\$ 13,029,764	\$ -	\$1,433,807	\$ 130,600	\$ (14,544,813)	\$ 49,358

See also Note 8(c).

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Siyata Mobile Inc.**(formerly Teslin River Resources Corp.)**

Condensed Consolidated Interim Statements of Cash Flow

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

As at

	For the six months ended	
	June 30,	
	2015	2014
Cash provided by / (used for):		
Operating Activities:		
Net loss for the period	\$ (97,650)	\$ (31,327)
Items not affecting cash:		
Amortization of bonus shares included in interest expenses	-	2,739
Amortization of loan administration fee included in interest expense	-	4,729
Unrealized foreign exchange	(360)	(58)
Net change in non-cash working capital items:		
Prepaid expenses	(80,492)	-
Receivables	(5,881)	1,145
Accounts payable and accrued liabilities	32,930	(7,561)
Net cash used in operating activities	(151,453)	(30,333)
Financing Activities:		
Notes payable	\$ -	\$ 25,000
Change in cash for the period	(151,453)	(5,333)
Cash, beginning of the period	166,447	9,538
Cash, end of the period	\$ 14,944	\$ 4,205
Supplementary Information:		
Cash paid during the period for interest expense	\$ -	\$ -
Cash paid during the period for income taxes	\$ -	\$ -

Significant Non-Cash Activity – (Note 11)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Siyata Mobile Inc.

(formerly Teslin River Resources Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the six months ended June 30, 2015

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Siyata Mobile Inc. (formerly Teslin River Resources Corp.) ("Siyata" or the "Company") was incorporated under the Business Corporations Act, British Columbia on October 15, 1986. As at June 30, 2015, the Company was engaged in mineral exploration. On July 24, 2015, upon the completion of a reverse takeover transaction, the Company changed its name to Siyata Mobile Inc. The Company's shares are listed on Tier 1 of the TSX Venture Exchange ("TSX-V") under the symbol SIM. The corporate office of the Company is located at 1600 - 609 Granville Street, Vancouver, BC V7Y 1C3, and the registered and records office is located at 2200 - 885 West Georgia Street, Vancouver, BC V6C 3E8.

As at June 30, 2015 the amount of cash on hand is not sufficient to fund continued operations. Accordingly, the Company did not have sufficient funds to meet planned expenditures over the next twelve months, and will need to seek additional equity financing and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. These material uncertainties raise substantial doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than a process of forced liquidation. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

On July 24, 2015, the Company completed a reverse takeover transaction (the "Siyata RTO") between Teslin River Resources Corp. ("Teslin"), and a subsidiary of Teslin, and Siyata Mobile (Canada) Inc. ("Siyata Canada") through a three cornered amalgamation. Prior to closing of the transaction, Siyata Canada acquired certain telecom operations (the "Siyata Mobile Group Assets") of Israel-based cellular technology company, Accel Telecom Ltd. ("Accel") and its Canadian subsidiary, Truckfone Inc. The Siyata Mobile Group Assets are now owned through the Company's BC and Israeli incorporated subsidiaries. Upon closing of the transaction the Company changed its name from Teslin River Resources Corp., to Siyata Mobile Inc.

Siyata is a global developer and provider of a vehicle mounted communications platform over advanced mobile networks. Siyata's customers include cellular operators, commercial vehicle technology distributors and fleets of all sizes in Canada, Europe, Australia and the Middle East. As part of the closing of the transaction, the Company completed a private placement financing for gross proceeds of \$4,178,490.

See also Note 11.

Siyata Mobile Inc.

(formerly Teslin River Resources Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the six months ended June 30, 2015

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements of the Company have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standard Board (“IASB”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting.

These condensed consolidated interim financial statements do not include all of the information required for the full annual financial statements and therefore should be read in conjunction with the most recent audited annual consolidated financial statements as at and for the year ended December 31, 2014 of the Company which are available on www.sedar.com.

The condensed consolidated interim financial statements include the accounts of the Company and its two wholly-owned inactive subsidiaries:

Name of Subsidiary	Place of Incorporation	Ownership
Queensgate Resources Corp.	British Columbia, Canada	100%
Queensgate Resources US Corp.	Nevada, USA	100%

The accounts of Queensgate Resources Corp. and Queensgate Resources US Corp. have been included in these condensed interim consolidated financial statements from the acquisition date. All intercompany balances and transactions have been eliminated on consolidated.

These condensed consolidated interim financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company.

The Company’s condensed consolidated interim financial statements were authorized for issue by the Board of Directors on August 31, 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements of the Company have been prepared on the historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, the condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for the statement of cash flows.

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Company’s most recent annual audited December 31, 2014 consolidated financial statements, which are available on www.sedar.com, and reflect all of the adjustments necessary for fair presentation in accordance with IAS 34.

Siyata Mobile Inc.**(formerly Teslin River Resources Corp.)**

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the six months ended June 30, 2015

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

4. CASH

	June 30, 2015	December 31, 2014
Canadian dollar denominated deposits held in Canada	\$ 6,068	\$ 158,128
US dollar denominated deposits held in Canada and the USA	8,926	8,319
Total	\$ 14,994	\$ 166,447

5. RECEIVABLES

	June 30, 2015	December 31, 2014
Amounts from the Government of Canada pursuant to GST input tax credits	\$ 8,675	\$ 2,794
Total	\$ 8,675	\$ 2,794

6. DEPOSITS

	June 30, 2015	December 31, 2014
Amounts on deposit with the State of Nevada pursuant to reclamation claims	\$ 5,158	\$ 4,798
Total	\$ 5,158	\$ 4,798

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2015	December 31, 2014
Trade and other payables	\$ 59,961	\$ 11,918
Amounts payable to related parties	-	2,113
Accrued liabilities	-	13,000
Total	\$ 59,961	\$ 27,031

Siyata Mobile Inc.**(formerly Teslin River Resources Corp.)**

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the six months ended June 30, 2015

(Unaudited – Prepared by Management)

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8. SHARE CAPITAL

- (a) **Authorized** Unlimited number of common shares without par value
 Unlimited number of preferred shares without par value

(b) **Share issuances**

As at June 30, 2015 there were 8,880,482 issued and outstanding common shares. On July 24, 2015, subsequent to the Siyata RTO and a private placement financing, there were 59,587,337 common shares outstanding. See also Note 11.

(c) **Share consolidation**

On July 24, 2015, the Company consolidated its share capital on a 2.2 old shares for 1 new basis. All share figures have been restated to retroactively reflect this consolidation.

(d) **Stock options**

The Company has a shareholder approved “rolling” stock option plan (the “Plan”) in compliance with TSX-V policies. Under the Plan the maximum number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding common shares at the time of granting. The exercise price of each stock option shall not be less than the market price of the Company’s stock at the date of grant, less a discount of up to 25%. Options can have a maximum term of ten years and typically terminate 90 days following the termination of the optionee’s employment or engagement, except in the case of retirement or death. Vesting of options is at the discretion of the Board of Directors at the time the options are granted.

No stock options were granted, cancelled or expired during the six months ended June 30, 2015.

At June 30, 2015, stock options outstanding and exercisable are as follows:

Grant Date	Number of Options outstanding and exercisable	Exercise Price	Expiry date	Remaining contractual life (years)
October 31, 2014	818,182	\$0.341	October 31, 2019	4.34

During the six months ended June 30, 2015, the Company recorded share-based payment compensation of \$nil (June 30, 2014 - \$nil).

In connection with the Siyata RTO on July 24, 2015, all outstanding options were cancelled and a total of 4,800,000 new stock options were authorized to be issued to certain directors, officers, employees and consultants of the Company, at exercise prices of \$0.30 and \$0.60 per share. See also Note 11.

Siyata Mobile Inc.**(formerly Teslin River Resources Corp.)**

Notes to the Condensed Consolidated Interim Financial Statements

As at and for the six months ended June 30, 2015

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8. SHARE CAPITAL (continued)**(e) Agents Options**

In connection with the Siyata RTO on July 24, 2015, a total of 1,192,829 agents options exercisable at \$0.30 per share were issued, exercisable for a period of two years.

See also Note 11.

(f) Share Purchase Warrants

At June 30, 2015, share purchase warrants outstanding are as follows:

Issue Date	Number of Warrants	Exercise Price	Expiry date	Remaining contractual life (years)
September 14, 2014	2,727,273	\$0.132	September 17, 2017	2.22

In connection with the Siyata RTO on July 24, 2015, the 2,727,273 warrants that were outstanding as at June 30, 2015 were exercised, and a total of 7,173,076 warrants exercisable at \$0.60 per share were issued, exercisable for a period of two years. See also Note 11.

9. RELATED PARTY TRANSACTIONS

Key Personnel Compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the six months ended June 30, 2015 and 2014 can be summarized as follows:

Type of Service	Nature of Relationship	For the three months ended June 30,		For the six months ended June 30,	
		2015	2014	2015	2014
Interest and financing costs	To a company with a former director and former officers in common with the Company	\$ -	\$ 8,746	\$ -	\$ 17,395
Total		\$ -	\$ 8,746	\$ -	\$ 17,395

No amounts are due from or due to related parties as at December 31, 2014 and June 30, 2015.

Siyata Mobile Inc.

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Notes to the Condensed Consolidated Interim Financial Statements

As at and for the six months ended June 30, 2015

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

10. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new IFRS standards, amendments to standards and interpretations are not yet effective for the period ended June 30, 2015, and have not been applied in preparing these financial statements. None of these is expected to have an effect on the Company's financial statements. The Company has not early adopted these revised standards.

Effective for annual periods beginning on or after January 1, 2018

i. IFRS 15 Revenue from Contracts with Customers

IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, Construction Contracts, IAS 18, Revenue, IFRIC 13, Customer Loyalty Programs, IFRIC 15, Agreements for the Construction of Real Estate, IFRIC 18, Transfers of Assets from Customers, and SIC-31, Revenue – Barter Transactions involving Advertising Services.

ii. IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9 is a new standard on financial instruments that will replace IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

Effective for annual periods beginning on or after January 1, 2015

i. IFRS 7 Financial Instruments: Disclosure

Amended to require additional disclosures on transition from IAS 39 to IFRS 9

11. SUBSEQUENT EVENTS

On July 24, 2015, the Company completed a reverse takeover transaction between Teslin, and a subsidiary of Teslin, and Siyata Canada through a three cornered amalgamation. Prior to closing of the transaction, Siyata Canada acquired certain telecom operations of Israel-based cellular technology company, Accel and its Canadian subsidiary, Truckfone Inc. The Siyata Mobile Group Assets are now owned through the Company's BC and Israeli incorporated subsidiaries. Upon closing of the transaction the Company changed its name from Teslin River Resources Corp., to Siyata Mobile Inc. ("Siyata").

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Notes to the Condensed Consolidated Interim Financial Statements

As at and for the six months ended June 30, 2015

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

11. SUBSEQUENT EVENTS (continued)

Siyata is a global developer and provider of a vehicle mounted communications platform over advanced mobile networks. Customers include cellular operators, commercial vehicle technology distributors and fleets of all sizes in Canada, Europe, Australia and the Middle East. Siyata's "Connected-Vehicle" devices and accessories are specifically designed for professional fleets such as trucks, vans, buses, ambulances, government cars and more. Siyata aims to provide greater mobile connectivity for professional drivers and facilitate replacement of the current in-vehicle, multi device status quo with a single device that incorporates voice, data and fleet management solutions.

As part of the transaction, the Company completed a 2.2 for 1 share consolidation. All previously outstanding warrants (2,727,273 at \$0.132 per share) of the Company were exercised and all previously existing stock options (818,182 at \$0.341 per share) were cancelled. An aggregate of 4,800,000 new stock options (4,650,000 exercisable at \$0.30 per share, and 150,000 exercisable at \$0.60 per share) were authorized to be issued to certain directors, officers, employees and consultants of the Company. The options are exercisable for a period of five years and are subject to certain vesting terms.

In connection with the transaction, the Company completed a private placement for total proceeds of \$4,178,490 through the issuance of 13,928,300 subscription receipts at \$0.30 per subscription receipt. Immediately prior to closing of the transaction, the subscription receipts automatically converted to 13,928,000 common shares and 6,964,151 share purchase warrants, each warrant exercisable at \$0.60 for a period of two years. A total of 717,949 common shares and 208,925 share purchase warrants exercisable at \$0.60 for a period of two years were issued in settlement of all corporate finance and finders' fees, and the agents in the private placement received agents' options entitling them to acquire 1,192,829 shares of the Company at an exercise price of \$0.30, for a period of two years.

Through the amalgamation transaction, the Company issued 33,333,333 common shares to Accel. The shares issued to Accel are subject to escrow pursuant to the requirements of the TSX-V and are releasable as to 25% on closing of the transaction (July 24, 2015) and 25% at six, twelve and eighteen months thereafter.

On July 28, 2015, in connection with the entering into of an investor relations services agreement, the Company granted 250,000 stock options, exercisable at \$0.30 for a period of five years. The options vest at a rate of 25% per quarter from the date of grant.

On August 10, 2015, the Company granted a total of 425,000 stock options to certain consultants to the Company, exercisable at \$0.30 for a period of five years, subject to vesting terms.