

Nova Leap Health Corp. Closes First Tranche of Brokered Private Placement



TSXV: NLH

April 13, 2018 (Source) – NOVA LEAP HEALTH CORP. (TSXV:NLH) (“Nova Leap” or “the Company”), a company focused on the home health care industry, closed the first tranche of its previously announced brokered private placement for gross proceeds of \$1,006,050 by the sale of 3,353,499 common shares of the Company (“**Common Shares**”) at a price of \$0.30 per Common Share (the “**Private Placement**”). The Private Placement was brokered on a “best efforts” basis by a syndicate of agents co-led by Haywood Securities Inc. and Gravitas Securities Inc. (“**Agents**”).

The Common Shares issued pursuant to the Private Placement are subject to a 4 month hold period. Certain insiders of the Company subscribed for an aggregate of 150,000 Common Shares. The Company’s material change report in relation to the insiders’ participation in the Private Placement will not have been filed at least 21 days before the closing of the first tranche of the Private Placement as their participation was not known at that time.

The Company paid the Agents: 1) a cash commission of \$67,944 which was equal to 8.0% of the gross proceeds of the first tranche of the Private Placement, except in respect of subscriptions by purchasers on the President’s List, which had a cash commission equal to 2.0% of such gross proceeds; and 2) 226,479 agents’ warrants equal to 8.0% of the Common Shares sold to purchasers not listed on the President’s List and 2.0% of the number of Common Shares sold to purchasers listed on

the President's List. Each agents' warrant is exercisable for one Common Share at a price of \$0.30 for a period of 24 months from the closing of the first tranche of the Private Placement.

The Company expects to complete a second and final tranche of the brokered private placement of Common Shares on or before April 30, 2018. The proceeds from the first and second tranches of the brokered private placement will be used for the acquisition of a New England home care services business as announced on March 19, 2018, an Eastern Canada home care services business as announced on April 3, 2018 and for working capital and general corporate purposes.

This press release does not constitute an offer to sell or solicitation of an offer to sell 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 Nova Leap

The Home Care Providers industry is becoming one of the fastest growing healthcare industries in Canada and the United States. Home care saves patients billions of dollars every year by treating them in their own homes instead of in hospitals. An aging population, the prevalence of chronic disease, growing physician acceptance of home care, medical advancements and a movement toward cost-efficient treatment options from public and private payers have all fostered industry growth. Nova Leap is focused on a highly fragmented market of small privately-held companies providing patients one on one care in their homes. Nova Leap's post-acquisition organic growth strategy is to increase annual revenue per

location through a combination of increased employee investment, including training, focused sales and marketing efforts, billing rate increases, expansion of geographical coverage, and improved referral sources.

FORWARD LOOKING INFORMATION:

Certain information in this press release may contain forward-looking statements, such as statements regarding the completion of the second tranche of the brokered private placement and the anticipated use of the proceeds from the first and second tranches of the brokered private placement. This information is based on current expectations and assumptions, including assumptions concerning economic and market conditions, that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. Risks that could cause results to differ from those stated in the forward-looking statements in this release include regulatory changes affecting the home care industry, unexpected increases in operating costs and competition from other service providers. All forward-looking statements, including any financial outlook or future-oriented financial information, contained in this press release are made as of the date of this release and included for the purpose of providing information about management's current expectations and plans relating to the future. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in the Company's filings with the Canadian securities regulators, which filings are available at www.sedar.com.

CAUTIONARY STATEMENT:

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