



Nova Leap Health Corp.

**Condensed Interim Consolidated Financial Statements
For the three and six months ended June 30, 2017
and the three and six months ended July 31, 2016**

**(Unaudited)
(United States dollars)**

Prepared by Management – See Notice to Reader

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice to this effect. These unaudited condensed interim consolidated financial statements have been prepared by management of the Corporation. Management have compiled the unaudited condensed interim consolidated statements of financial position of Nova Leap Health Corp as at June 30, 2017 and the unaudited condensed interim consolidated statements comprehensive loss, changes in equity and cash flows for the three and six months ended June 30, 2017 and the three and six months ended July 31, 2016. The Corporation's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the June 30, 2017 condensed interim consolidated financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

Nova Leap Health Corp.

Condensed Consolidated Statement of Financial Position (Unaudited - United States dollars)

	June 30, 2017	December 31, 2016
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	158,023	148,275
Accounts receivable	12,397	17,949
Prepaid expenses	4,181	11,486
Total current assets	174,601	177,710
Non-current assets		
Intangible assets (note 3)	3,300	5,700
Goodwill	180,000	180,000
Deferred income tax asset (note 4)	44,648	28,056
Total non-current assets	227,948	213,756
TOTAL ASSETS	402,549	391,466
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 5)	72,588	67,804
Non-current liabilities		
Convertible debentures (note 6)	-	178,280
TOTAL LIABILITIES	72,588	246,084
SHAREHOLDERS' EQUITY		
Capital stock (note 7)	939,493	510,801
Warrants (note 8)	80,355	-
Contributed surplus	107,975	116,109
Accumulated other comprehensive income	14,503	7,991
Deficit	(812,365)	(489,519)
TOTAL SHAREHOLDERS' EQUITY	329,961	145,382
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	402,549	391,466
Going concern (note 1)		
Subsequent events (note 13)		

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

Approved on behalf of the Board of Directors

“Chris Dobbin”

(signed)

Director

“Michael O’Keefe”

(signed)

Director

Nova Leap Health Corp.

Condensed Consolidated Statement of Changes in Shareholders' Equity (Unaudited - United States dollars)

	Common shares	Share capital \$	Warrants \$	Contributed surplus \$	Accumulated other comprehensive income \$	Deficit \$	Total equity \$
Balance – January 1, 2017	13,500,000	510,801	-	116,109	7,991	(489,519)	145,382
Units issued for cash, net of issuance costs (note 7)	3,500,000	428,692	80,355	-	-	-	509,047
Redemption of convertible debt	-	-	-	(8,134)	-	-	(8,134)
Net loss for the period	-	-	-	-	-	(322,846)	(322,846)
Other comprehensive income for the period	-	-	-	-	6,512	-	6,512
Balance – June 30, 2017	17,000,000	939,493	80,355	107,975	14,503	(812,365)	329,961
Balance – February 1, 2016	10,000,000	357,192	-	-	801	(7,753)	350,240
Shares issued for cash, net of issuance costs	3,500,000	153,609	-	-	-	-	153,609
Stock based compensation	-	-	-	107,975	-	-	107,975
Net loss for the period	-	-	-	-	-	(175,750)	(175,750)
Other comprehensive income for the period	-	-	-	-	12,113	-	12,113
Balance – July 31, 2016	13,500,000	510,801	-	107,975	12,914	(183,503)	448,187

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

Nova Leap Health Corp.

Condensed Consolidated Statement of Loss and Comprehensive Loss (Unaudited - United States dollars)

	For the three months ended		For the six months ended	
	June 30, 2017	July 31, 2016	June 30, 2017	July 31, 2016
	\$	\$	\$	\$
Revenues				
Home care	39,836	-	79,967	-
Operating expenses				
Salaries and benefits	46,492	-	95,656	-
Home care office	13,069	-	27,367	-
	<u>59,561</u>	-	<u>123,023</u>	-
Corporate and administrative expenses				
Amortization (note 3)	355	-	1,014	-
Bad debt expense	-	-	332	-
Conferences and subscriptions	11,471	4,712	11,471	4,712
Consulting fees, salaries & benefits (note 5)	54,215	3,474	111,598	3,474
Foreign exchange loss	4,170	45	1,716	45
Impairment loss (note 3)	1,386	-	1,386	-
Insurance	2,131	-	4,274	-
Investor relations and shareholder communications	12,073	-	21,765	-
Office and other	5,012	316	15,343	316
Professional fees (note 5)	39,621	62,066	84,499	62,500
Stock based compensation	-	-	-	94,314
Transfer, filing and listing fees	8,894	4,098	22,707	5,308
Travel	12,001	5,667	16,317	5,667
	<u>151,329</u>	80,378	<u>292,422</u>	176,336
Loss from operating activities	<u>171,054</u>	80,378	<u>335,478</u>	176,336
Net finance expense				
Finance income	(2,405)	(586)	(2,595)	(586)
Finance expense	2,266	-	6,555	-
	<u>(139)</u>	(586)	<u>3,960</u>	(586)
Deferred income tax recovery (note 4)	6,852	-	16,592	-
Net loss	<u>164,063</u>	79,792	<u>322,846</u>	175,750
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translation to presentation currency	2,800	(21,040)	6,512	12,113
Total comprehensive loss	<u>161,263</u>	100,832	<u>316,334</u>	<u>163,637</u>
Weighted average number of shares outstanding during the period (note 12)	17,000,000	13,500,000	15,665,746	9,541,668
Basic and diluted loss per share	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.02)</u>	<u>\$ (0.02)</u>

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

Nova Leap Health Corp.

Consolidated Statement of Cash Flows (Unaudited - United States dollars)

	For the six months ended	
	June 30, 2017	July 31, 2016
	\$	\$
Cash provided by (used in)		
Operating activities		
Net loss for the period	(322,846)	(175,750)
Amortization of intangible assets (note 3)	1,014	-
Deferred income tax recovery (note 4)	(16,592)	-
Impairment loss (note 3)	1,386	-
Stock based compensation	-	94,314
Gain on redemption of convertible debt (note 6)	(2,136)	-
Unrealized foreign exchange gain/loss	7,990	12,068
Net changes in non-cash working capital balances related to operations		
Change in accounts receivable	5,552	-
Change in prepaid expense	7,305	27,776
Change in sales tax recoverable	-	(16,220)
Change in accounts payable and accrued liabilities	4,784	66,031
	<u>(313,543)</u>	<u>8,219</u>
Financing activities		
Proceeds from issuance of Units, net of share issue costs (note 7)	509,047	167,270
Repayment of convertible debenture (note 6)	(185,756)	-
	<u>323,291</u>	<u>167,270</u>
Change in cash and cash equivalents for the period	9,748	175,489
Cash and cash equivalents – beginning of period	148,275	296,671
Cash and cash equivalents – end of period	158,023	472,160

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

Nova Leap Health Corp.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - United States dollars)

For the three and six months ended June 30, 2017 and July 31, 2016

1. Nature of operations and going concern

Nature of operations

Nova Leap Health Corp. (the "Corporation") is the parent company and was incorporated under the Canada Business Corporations Act on November 16, 2015. The Corporation completed its Qualifying Transaction ("QT") on October 13, 2016. The principal activities of the Corporation and its subsidiaries (the "Group") is to provide skilled and non-medical home care to clients. The Corporation's shares are listed on the TSX Venture Exchange and are traded under the symbol NLH.V.

These unaudited condensed interim consolidated financial statements include the accounts of the Corporation and its United States subsidiaries, Nova Leap Health Corp. Holdings, Inc, Nova Leap Health NH, LLC. and Nova Leap Health RI, Inc. The registered head office of the Corporation is located at Founder's Corner, 37 Wentworth Street, Unit 104, Dartmouth, NS B2Y 2S9, Canada.

The Corporation changed its year-end from October 31 to December 31. For details regarding the length and ending dates of the financial periods, including the comparative periods, of the interim and annual financial statements to be filed for the Corporation's transition year and its new financial year, reference is made to the Notice of Change of Fiscal Year End filed by the Company on SEDAR pursuant to National Instrument 51-102 on December 20, 2016.

The unaudited condensed interim consolidated financial statements were approved by the Board of Directors on August 17, 2017.

Going concern

The Corporation completed its QT on October 13, 2016 and had no source of revenue and incurred losses from the date of incorporation until the close of the QT. The Group is currently operating the home care services company in New Hampshire that it acquired through its subsidiary Nova Leap Health NH, LLC, doing business as Northern Family Home Care ("NFHC"). The Group continues to incur operating losses. The Group is pursuing a strategy of near term expansion and organic growth in New Hampshire and is also exploring further acquisition opportunities in Northeastern United States. The Corporation currently has a signed Asset Purchase Agreement for the purchase of All About Home Care ("AAHC") subject to approval of the home health care license transfer by the state of Rhode Island and TSX Venture Exchange approval. AAHC has positive cash flow from operations (See Note 13 – subsequent events) and if the acquisition closes, will contribute to the Group's ability to reduce operating losses.

The Group's unaudited condensed interim consolidated financial statements as at June 30, 2017 have been prepared based on International Financial Reporting Standards applicable to a going concern, which assumes the Group will continue in operation for the foreseeable future realizing its assets and settling its liabilities and commitments in the normal course of business. There is significant doubt about the appropriateness of the going concern assumption as the Group incurred a net loss for the six months ended June 30, 2017 of \$322,846 and has not yet generated profit from operations. The continuing operations of the Group are dependent on its ability to develop profitable operations in the future and to raise adequate financing, if necessary. Management's view is that working capital is sufficient, but if necessary, additional working capital can be obtained from internal and external sources to meet the Group's liabilities and commitments. The Group has raised funds through equity and convertible debt offerings.

There can be no assurance that the Group will be successful in achieving profitability or raising additional cash to finance operations. These consolidated financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Group be unable to continue as a going concern, and these adjustments could be material.

Nova Leap Health Corp.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - United States dollars)

For the three and six months ended June 30, 2017 and July 31, 2016

2. Significant accounting policies

a) Statement of compliance

These unaudited condensed interim consolidated financial statements are prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements were prepared using the same accounting policies and methods of computation, and are subject to the same use of estimates and judgments, as the Corporation’s consolidated financial statements for the period from November 15, 2015, date of incorporation, to December 31, 2016. These unaudited condensed interim consolidated financial statements do not include all disclosures required by International Financial Reporting Standards (“IFRS”) for annual consolidated financial statements and accordingly should be read in conjunction with the Corporation’s audited consolidated financial statements for the period from November 15, 2015, date of incorporation, to December 31, 2016. prepared in accordance with IFRS as issued by the IASB.

b) Accounting changes

The Corporation has adopted the amendments to IAS 7, Statement of Cash Flows and IAS 12, Income Taxes. The adoption of the amendments did not have an impact on the consolidated financial statements.

3. Intangible assets

The changes in intangible assets for the period are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Balance, beginning of period	5,700	-
Addition	-	60,000
Amortization	(1,014)	(3,244)
Impairment loss	(1,386)	(51,056)
Balance, end of period	3,300	5,700

An impairment loss of \$1,386 was recognized for customer lists for the six months ended June 30, 2017. The recoverable amount of the asset is its value-in-use, determined based on the decline in average hours for which caregivers provided home care services to key clients obtained through the purchase of the Significant Assets of Northern Family Home Care Inc. The discount rates reflect appropriate adjustments relating to market risk and specific risk factors and was 19.2%. All amortization and impairment charges are included within amortization and impairment loss.

4. Income taxes

The Group recognized \$6,852 and \$16,592 deferred income tax recovery for the three and six months ended June 30, 2017, respectively (July 31, 2016 – nil) for non-capital loss carry-forwards for the Corporation’s subsidiary Northern Family Home Care.

Deferred tax assets / (liabilities) arising from temporary differences and non-capital losses are summarized as follows:

	Canada	US	Total
	\$	\$	\$
Non-capital loss carry-forwards	195,974	26,501	222,475
Intangible assets and goodwill	-	18,147	18,147
Share issuance costs	29,322	-	29,322
Valuation allowance	(225,296)	-	(225,296)
Deferred tax asset (liability)	-	44,648	44,648

5. Related party transactions

Legal services were provided by a firm of which a shareholder of the Corporation is the sole lawyer practitioner. These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount agreed to by the parties.

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Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - United States dollars)

For the three and six months ended June 30, 2017 and July 31, 2016

5. Related party transactions (continued)

The cost of these services was as follows:

	Three months ended		Six months ended	
	June 30, 2017	July 31, 2016	June 30, 2017	July 31, 2016
	\$	\$	\$	\$
Share issue costs	6,416	-	6,416	33,716
Professional fees	2,217	1,903	2,217	2,591
	8,633	1,903	8,633	36,307

During the three and six months ended June 30, 2017 and July 31, 2016, a company controlled by the CEO billed a total \$4,402 and 8,877, respectively (nil – July 31, 2016) for the rental of office space.

Key management personnel

Key management personnel of the Group are members of the Board of Directors, as well as the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary. Key management personnel remuneration for the periods include the following expenses:

	Three months ended		Six months ended	
	June 30, 2017	July 31, 2016	June 30, 2017	July 31, 2016
	\$	\$	\$	\$
Consulting fees	29,196	-	95,887	-
Stock based compensation	-	-	-	94,314
	29,196	-	95,887	94,314

As at June 30, 2017, there was \$17,055 included in Accounts payable and accrued liabilities for amounts owed to officers of the Corporation (December 31, 2016 – \$27,144).

6. Convertible debentures

The changes in convertible debentures for the period are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Balance, beginning of period	178,280	-
Issued	-	188,993
Effective interest	-	697
Repayment in cash	(177,622)	-
Gain on redemption	(2,136)	-
Unrealized foreign exchange	1,478	(11,410)
Balance, end of period	-	178,280

For the six months ended June 30, 2017, all convertible debentures were repaid in cash. The total cash repayment was \$185,756 of which \$8,134 was applied against the equity component of convertible debt recognized upon issuance.

As at December 31, 2016, \$124,796 of total convertible debenture balance were convertible debentures held by directors or companies controlled by directors.

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Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - United States dollars)

For the three and six months ended June 30, 2017 and July 31, 2016

7. Capital stock

a. Authorized:

Unlimited number of common shares, without nominal or par value

b. Issued and outstanding:

	June 30, 2017		December 31, 2016	
	Number of Shares	Value \$	Number of Shares	Value \$
Balance, beginning of period	13,500,000	510,801	-	-
Shares issued for cash, net of issue costs	3,500,000	428,692	13,500,000	510,801
Balance, end of period	17,000,000	939,493	13,500,000	510,801

On March 10, 2017, the Corporation closed a non-brokered private placement and raised gross proceeds of \$518,969 (\$700,000 CAD) net of share issue costs of \$9,922 (\$13,384 CAD) through the issuance of 3,500,000 Units at a price of \$0.20 CAD per unit. Each unit is comprised of one common share of the Corporation and a one-half common share purchase warrant. Two half warrants entitle the holder to acquire one common share of the Corporation for \$0.35 CAD for a period of 24 months from the closing date. \$80,355 (\$108,385 CAD) was allocated to the warrants. The Corporation applies the fair value method with respect to the measurement of shares and warrants issued as private placement units. The Company allocates the net proceeds based on the relative fair values to each component. The fair value of the warrants was determined using the Black-Scholes pricing model.

All securities issued pursuant to the private placement are subject to a 4 month hold period that expired on July 11, 2017.

Of the 10,000,000 common shares issued in January 2016 which were subject to an escrow agreement, 7,500,000 shares were in escrow at June 30, 2017. The remaining shares in escrow will be released in 5 equal increments of 1,500,000 shares each every 6 months with the final release on November 4, 2019.

8. Warrants

	June 30, 2017	
	Number of warrants	Exercise price (CAD)
Balance, beginning of period	-	-
Warrants issued for cash, net of issue costs	1,750,000	\$0.35
Balance, end of period	1,750,000	\$0.35

On March 10, 2017, in connection with the private placement, the Corporations issued 1,750,000 warrants with an exercise price of \$0.35 CAD and expire on March 9, 2019.

The following weighted average assumptions were used in the Black-Scholes option pricing model for the period:

Exercise price (CAD)	\$0.35
Risk free interest rate	0.50%
Expected volatility	108%
Expected dividend yield	0%
Expected life	2.0 years
Grant date fair value (CAD)	\$0.06

The weighted average contractual life outstanding as at June 30, 2017 is 1.69 years.

Nova Leap Health Corp.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - United States dollars)

For the three and six months ended June 30, 2017 and July 31, 2016

9. Stock based compensation

The Corporation has a common share purchase option plan (the "Plan") for directors, officers, employees and consultants. The total number of options issued and outstanding at any time cannot exceed 10% of the issued and outstanding common shares of the Corporation unless shareholder and regulatory approvals are obtained. Options granted under the Plan have a ten-year term and are non-transferable. Options vest immediately upon granting and may be exercised until the greater of twelve months after the completion of the QT and ninety days following the date of termination of employment or holding office as a director or officer of the Corporation and, in the case of death, expire within one year thereafter. Options are granted at a price no lower than the market price of the common shares less any discounts allowed by the TSX Venture Exchange at the time of the grant.

There were no changes in the incentive stock options during the period.

The following table summarizes information concerning outstanding options issued under the Plan, all of which are exercisable at June 30, 2017:

Expiry date	Number of options	Exercise price (CAD)
April 26, 2026	1,350,000	\$ 0.10
	1,350,000	0.10

The weighted average contractual life outstanding as at June 30, 2017 is 8.82 years.

The Corporation also issued options to the agent related to the Initial Public Offering in April 2016. The following table summarizes information concerning outstanding options issued to the Agent, all of which are exercisable at June 30, 2017:

Expiry date	Number of options	Exercise price (CAD)
April 26, 2018	350,000	\$ 0.10
	350,000	0.10

The weighted average contractual life outstanding as at June 30, 2017 is 7.18 years.

10. Financial instruments

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting receivables to customers and placing deposits. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at June 30, 2017, as summarized below:

Classes of financial assets – carrying amounts	June 30, 2017	December 31, 2016
Cash and cash equivalents	\$158,023	\$148,275
Accounts receivable	12,397	17,949
	\$170,420	\$166,224

In respect of trade account receivables, the Group is exposed to a certain level of credit risk as the amounts are uncollateralized. Credit risk for accounts receivable is the risk of loss associated with a client's inability to fulfil its payment obligations. The largest exposure to credit risk is in relation to receivables. The Group mitigates credit risk by actively monitoring the aging of accounts receivable and regularly follows up on overdue accounts. As at June 30, 2017, management believes that counterparty concentrations are in the normal course of business and are not unusual.

The credit risk for cash and cash equivalents is considered low as the Group maintains the majority of its cash with a Schedule I bank in Canada.

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Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - United States dollars)

For the three and six months ended June 30, 2017 and July 31, 2016

10. Financial instruments (continued)

Liquidity risk

Liquidity risk is that the Group might be unable to meet its obligations. The Group's approach to managing liquidity risk is to closely monitor working capital balances as compared to budgeted upcoming expenses and expected due diligence and acquisition expenses. The Group raises funds, primarily through private placement or convertible debt if a shortfall is anticipated. As at June 30, 2017, the Group had a cash and cash equivalents of \$158,023. The Group's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on the growth of the home care business acquired as well as future support of shareholders through public or private equity offerings. Refer to note 1, Going Concern.

The following table shows the timing of cash outflows relating to accounts payable and accrued liabilities:

	< 1 year	1-2 years	3-5 years	> 5 years
	\$	\$	\$	\$
Account payable and accrued liabilities	\$72,588	-	-	-

Market risk

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, which result from both its operating and financing activities.

Foreign currency sensitivity

The Group's operations are carried out in USD. Exposure to currency exchange rates arise from the fact that the Group's equity offerings have been denominated in CAD and will be denominated in CAD for the foreseeable future as the Corporation's shares are listed on a Canadian stock exchange. The Group's exposure to CAD dollar currency risk was as follows:

	June 30, 2017	December 31, 2016
	CAD	CAD
	\$	\$
Cash and cash equivalents	181,669	180,059
Accounts payable & accrual liabilities	(68,225)	(78,214)
Convertible debentures	-	(240,092)
	249,894	(138,247)

Sensitivity to a plus or minus 1.0% change in the CAD dollar exchange rate would affect net loss and comprehensive loss and deficit by approximately \$1,925.

11. Segment reporting

The Group's revenues from external customers and its non-current assets are all attributable to the United States. Revenues from external customers are identified based on the client's geographical location. Non-current assets are allocated based on their physical location.

12. Earnings per Share

Basic earnings (loss) per share is calculated based on the weighted average number of shares outstanding during the period. Diluted earnings per share assumes that convertible debentures, stock options, agent's options and warrants have been exercised on the later of the beginning of the period and the date granted. As of June 30, 2017, all options, warrants and convertible debentures were excluded from the computation of diluted loss per share because their effect would have been antidilutive.

13. Subsequent events

Subsequent to June 30, 2017, the Corporation announced that it continues to work through the conditions to closing for its proposed acquisition of All About Home Care, LLC ("AAHC") pursuant to the Asset Purchase Agreement dated April 20, 2017 ("Definitive Agreement") to purchase substantially all of the business assets of AAHC located in Rhode Island, USA ("the Acquisition") subject to approval of the home health care license transfer by the state of Rhode Island and TSX Venture Exchange approval. Under the terms of the Definitive Agreement, substantially all the business assets of AAHC will be

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Notes to Condensed Interim Consolidated Financial Statements

(Unaudited - United States dollars)

For the three and six months ended June 30, 2017 and July 31, 2016

13. Subsequent events (continued)

purchased by a Nova Leap subsidiary for a total purchase price of \$1.2 million. The purchase is expected to be funded by a combination of cash and debt. Upon closing of the Acquisition, the Nova Leap Subsidiary will continue to carry on business as All About Home Care.

Subsequent to June 30, 2017, the Corporation announced the closing of its previously announced non-brokered private placement by raising \$812,992 (CAD \$1,052,500) through the issuance of 5,262,500 Units at a price of CAD \$0.20 per unit. Each unit is comprised of one common share of the Company and a one-half common share purchase warrant. Two half warrants entitle the holder to acquire one common share of the Company for CAD \$0.35 for a period of 24 months from the closing date. All securities issued pursuant to this private placement are subject to a 4 month hold period that expires on November 7, 2017.

Subsequent to June 30, 2017, the Corporation announced that it will undertake a non-brokered private placement to raise up to CAD \$1,500,000 by the sale of units of the Company at a price of CAD \$0.20 per unit. Each unit is comprised of one common share of the Company and a one-half common share purchase warrant. Two half-warrants entitle the holder to acquire one common share of the Company for CAD \$0.35 for a period of 24 months from the closing date of this private placement. The common shares and warrants are subject to a 4 month hold period. Insiders of Nova Leap may participate in the private placement.

In connection with the offering, a finder's fee may be paid consisting of a cash payment equal to up to 6% of the proceeds raised from this private placement and that number of non-transferable finder's fee warrants as is equal to up to 6% of the number of common shares issued pursuant to this private placement at closing. Each finder's fee warrant will be exercisable into one common share of the Company at CAD \$0.35 per share for a period of 24 months from the closing date. The proceeds from the private placement will be used partially for general working capital purposes and for new acquisition opportunities. The private placement is subject to TSX Venture Exchange and other required regulatory approval.