Nova Leap Health Corp. Announces Brokered Private Placement with Haywood Securities Inc.

written by Raj Shah | January 20, 2018

January 19, 2018 (Source) – NOVA LEAP HEALTH CORP. (TSX VENTURE:NLH) ("**Nova Leap**" or the "**Company**"), is pleased to announce that it has appointed Haywood Securities Inc. (the "**Agent**"), to sell, by way of a private placement on a best efforts basis, units (the "**Units**") of the Company at a price of $0.25 per Unit (the "**Issue Price**") for gross proceeds of a minimum of $1,250,000 and maximum of $2,000,000 (the "**Offering**").

Each Unit issued pursuant to the Offering will consist of one common share in the capital of the Company (a "**Common Share**") and one half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one additional Common Share at a price of $0.375 for a period of 24 months from the closing date of the Offering.

The Agent has been granted the option (the "**Agent's Option**") to sell up to an additional 2,000,000 Units at the Issue Price, exercisable in whole or in part at any time up to 48 hours prior to the closing of the Offering.

The Company intends to use the net proceeds of the Offering to partially fund the acquisition of the home care business located in the Northeastern United States as announced on January 9,

2018 and for working capital and general corporate purposes. The Company expects the remainder of the purchase price to be funded with debt from a Schedule 1 Canadian bank.

The Company will pay the Agent upon the closing of the Offering: 1) a cash commission equal to 8.0% of the gross proceeds of the Offering, except in respect of any subscriptions by purchasers for the Offering on the President's List, which will only have a cash commission equal to 2.0% of the gross proceeds from the sale of Units under the Offering; 2) broker warrants equal to 8.0% of the Units sold to purchasers not listed on the President's List and 2.0% of the number of Units sold to purchasers listed on the President's List; and 3) a corporate finance fee of $40,000, of which $20,000 shall be payable in cash, and $20,000 payable in common shares of the Company, subject to compliance with all required regulatory approvals. Each broker warrant shall be exercisable for one Common Share at a price of $0.25 for a period of 24 months following the closing date of the Offering.

The closing of the Offering is expected to occur on or before February 16, 2018, and is subject to the receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange. All securities issued pursuant to the Offering will be subject to a four month hold period in accordance with applicable Canadian securities laws. There is no material fact or material change regarding Nova Leap that has not been generally disclosed.

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 1933 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 1933 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.

Cautionary Note Regarding Forward-Looking Statements

Certain information in this press release may contain forward-looking statements. This information is based on current expectations 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. 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.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.