Nova Leap Health Corp. Announces Non-Brokered Private Placement of Convertible Debentures

written by Raj Shah | December 5, 2019

December 5, 2019 (Source) – NOVA LEAP HEALTH CORP. (TSXV: NLH) ("Nova Leap" or the "Company"), a 2019 TSX Venture 50™ ranked company focused on the home health care industry, will undertake a non-brokered private placement through the issuance of unsecured subordinated convertible debentures (the "Debentures") for maximum gross proceeds of CAD$2 million (the "Offering").

The Debentures will mature five (5) years after the issue date (the "Maturity Date") and will accrue interest at the rate of 8.0% per annum, payable semi-annually. At the holders' option, the Debentures may be converted into common shares of Nova Leap at any time and from time to time, up to the Maturity Date, at a conversion price of CAD$0.52 per common share (the "Conversion Price").

At any time after the date that is one year following the issue date of the Debentures, the Company may force the conversion of the principal amount of the then outstanding Debentures at the Conversion Price on not less than 30 days' notice if the daily volume weighted average trading price of the common shares is greater than CAD$0.78 for any 20 consecutive trading days.

The Debentures and any common shares issued thereunder will be

subject to a statutory hold period lasting four months and one day following the issue date of the Debentures. Insiders of Nova Leap may participate in the private placement.

In connection with the Offering, Nova Leap may pay a cash finder's fee of up to 6% of the proceeds raised from the Offering. The proceeds from the Offering will be used for acquisition, expansion and working capital purposes.

"We continue to receive quality acquisition opportunities on a regular basis", said Chris Dobbin, President & CEO of Nova Leap. "We recently announced the best financial results in our Company's history, and we are determined to continue along that trajectory. This funding will allow us to act on acquisition opportunities should we chose, as well as pursue our plans to expand organically into new territories."

Closing of the Offering is expected to occur on or about December 31, 2019. The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and stock exchange approvals, including the approval of the TSX Venture Exchange.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About Nova Leap

Nova Leap is an acquisitive home health care services company

operating in one of the fastest growing industries in the U.S. & Canada. The Company performs a vital role within the continuum of care with an individual and family centered focus, particularly those requiring dementia care. Nova Leap achieved the #10 Ranking in the 2019 TSX Venture 50™ in the Clean Technology & Life Sciences sector. The Company is geographically diversified with operations in 5 different U.S. states: Vermont, New Hampshire, Massachusetts, Rhode Island and Oklahoma as well as Nova Scotia, Canada.

FORWARD LOOKING INFORMATION:

Certain information in this press release may contain forward-looking statements, such as statements regarding completion of the Offering and the use of the net proceeds of the Offering. This information is based on current expectations and assumptions, including assumptions concerning the Company's ability to satisfy the conditions to closing of the Offering, 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:

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