Nova Leap Health Corp.

(a Capital Pool Company)

Condensed Interim Financial Statements
For the period from November 16, 2015, date of incorporation, to April 30, 2016

(Canadian dollars)
(Unaudited)

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 financial statements, they must be accompanied by a notice to this effect. These unaudited condensed interim financial statements have been prepared by management of the Corporation. Management have compiled the unaudited condensed interim statements of financial position of Nova Leap Health Corp as at April 30, 2016 and the unaudited condensed interim statements comprehensive loss, changes in equity and cash flows for the three months ended April 30, 2016 and the period from the date of incorporation, November 16, 2015 to April 30, 2016. The Corporation's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the April 30, 2016 condensed interim financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

Nova Leap Health Corp.
(a Capital Pool Company)
Condensed Statement of Financial Position
(Unaudited - in Canadian Dollars)
As at April 30, 2016

	$
Assets	
Current assets	
Cash held in trust	672,916
Sales tax recoverable	15,158
	688,074
Liabilities	
Shareholders' Equity	
Capital stock (note 4)	683,629
Contributed surplus (note 4)	136,935
Deficit	(132,490)
	688,074
	688,074

Going concern (note 1)

The accompanying notes form an integral part of these financial statements.

Nova Leap Health Corp.
(a Capital Pool Company)
Condensed Statement of Changes in Shareholders' Equity
(Unaudited - in Canadian Dollars)
For the period from November 16, 2015, date of incorporation, to April 30, 2016

	Common Shares	Share capital $	Contributed Surplus $	Deficit $	Shareholders' equity $
Balance – November 16, 2015		-	-	-	-
Shares issued for cash (note 4)	10,000,000	500,000	-	-	500,000
Shares issued, net of issuance costs (note 4)	3,500,000	183,629	-	-	183,629
Stock based compensation	-	-	136,935	-	136,935
Loss and comprehensive loss for the period	-	-	-	(132,490)	(132,490)
Balance – April 30, 2016	13,500,000	683,629	136,935	(132,490)	688,074

The accompanying notes form an integral part of these financial statements.

Nova Leap Health Corp.
(a Capital Pool Company)
Condensed Statement of Loss and Comprehensive Loss
(Unaudited - in Canadian Dollars)

	For the three months ended April 30, 2016	For the period from November 16, 2015, date of incorporation, to April 30, 2016
	$	$
Expenses		
Professional fees (note 5)	577	8,774
Transfer, filing and listing fees	1,606	4,106
Stock based compensation	119,610	119,610
Loss and comprehensive loss for the period	121,793	132,490
Weighted average number of shares outstanding during the period	10,157,303	7,347,891
Basic and diluted loss per share	(0.01)	(0.02)

The accompanying notes form an integral part of these financial statements.

Nova Leap Health Corp.
(a Capital Pool Company)
Condensed Statement of Cash Flows
(Unaudited - in Canadian Dollars)
For the period from November 16, 2015, date of incorporation, to April 30, 2016

	$
Cash provided by (used in)	
Operating activities	
Net loss for the period	(132,490)
Net changes in non-cash working capital balances related to operations	
Stock based compensation	119,610
Increase in sales tax recoverable	(15,158)
	(28,038)
Financing activities	
Proceeds from issuance of common shares, net of share issue costs	700,954
Cash – End of period	672,916

The accompanying notes form an integral part of these financial statements.

1. Nature of operations and going concern

Nature of operations

Nova Leap Health Corp. (the "Corporation") was incorporated under the Canada Business Corporations Act on November 16, 2015. The Corporation is classified as a Capital Pool Company as defined in the TSX Venture Exchange (the "Exchange") Policy 2.4. The principal business of the Corporation is the identification and evaluation of a Qualifying Transaction ("QT") and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The head office and the registered head office of the Corporation are located at Founder's Corner, 37 Wentworth Street, Unit 104, Dartmouth, NS B2Y 2S9, Canada.

The financial statements were approved by the Board of Directors on June 28, 2016.

Going concern

The Corporation is currently investigating prospective acquisitions and is devoting all of its present efforts to securing and establishing a new business and its planned principal operations have not commenced.

Accordingly, no revenue has been derived during the period from November 16, 2015, date of incorporation, to April 30, 2016.

The Corporation's financial statements as at April 30, 2016 have been prepared on the basis of International Financial Reporting Standards applicable to a going concern, which assumes the Corporation will continue in operation for the foreseeable future realize its assets and settle its liabilities and commitments in the normal course of business. There is significant doubt about the appropriateness of the going concern assumption as the Corporation incurred a net loss for the period of $132,490 and has no operations at this time which will generate revenue. The Corporation completed an Initial Public Offering ("IPO") to raise gross proceeds of $350,000 through the issuance of 3,500,000 common shares on April 26, 2016. Management cannot provide assurance that the Corporation will ultimately achieve profitable operations, become cash flow positive, or raise additional debt and/or equity capital.

These 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 Corporation be unable to continue as a going concern, and these adjustments could be material.

2. Significant accounting policies

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

Basis of presentation

The financial statements are prepared on a historical cost basis except for any financial assets and liabilities classified as available for sale.

2. Significant accounting policies (continued)

a) Stock-based compensation

The Corporation has a stock-based compensation plan that is described in note 4. The Corporation accounts for stock options using the fair value method by applying the Black Sholes model. The estimated fair value of all stock options granted is recorded in the statement of loss over their vesting periods.

b) Share issuance costs

Costs directly attributable to the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred share issuance costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

c) Loss per share

The Company presents basic and diluted earnings per share data for its common shares. Basic earnings per share is calculated by dividing earnings attributable to equity shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share are determined by adjusting the weighted average number of common shares for the dilutive effect of share-based payments, employee incentive share units, and warrants using the treasury stock method (if, and when, applicable). Under this method, stock options, whose exercise price is less than the average market price of the Company's common shares, are assumed to be exercised and the proceeds used to repurchase common shares at the average market price for the period. The incremental number of common shares issued under stock options and repurchased from proceeds is included in the calculation of diluted earnings per share.

d) Income taxes

The Corporation uses the liability method of accounting for income taxes.

Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability is settled. The effect on deferred tax assets or liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and

- In respect of taxable temporary differences associated with investments in subsidiaries, and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the parent, or venture and it is probable that the temporary differences will not reverse in the foreseeable future.

2. Significant accounting policies (continued)

d) Income taxes (continued)

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When results from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

e) Management estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from those estimates.

f) Financial instruments

The Corporation has classified its cash as "Loans and receivables". After its initial measurement, it is measured at amortized cost using the effective interest method, less any provision for impairment.

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instrument, including: held to maturity, loans and receivables, fair value through profit or loss ("FVTPL"), available for sale, FVTPL liabilities or other liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Held to maturity assets, loans and receivables, and other liabilities are subsequently measured at amortized cost using the effective interest rate method.

Available for sale assets are subsequently measured at fair value with the changes in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost.

2. Significant accounting policies (continued)

f) Financial instruments (continued)

The Corporation has classified its financial instruments as follows:

- Cash held in trust / sales tax recoverable – Loans and receivables
- Accounts payable and accrued liabilities – other liabilities

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

There are no financial instruments measured at fair value on the balance sheet as at April 30, 2016

g) Future accounting standards issued but not yet applied

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after January 1, 2015 and have not been applied in preparing these financial statements. Accordingly, the Corporation expects to adopt these standards as set forth below.

i) IFRS 9, Financial Instruments

IFRS 9, "Financial instruments", introduces new requirements for the classification and measurement of financial assets. IFRS 9 requires all recognized financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be measured at amortized cost or fair value in subsequent accounting periods following initial recognition. Specifically, financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods.

2. Significant accounting policies (continued)

g) Future accounting standards issued but not yet applied (continued)

i) IFRS 9, Financial Instruments (continued)

Requirements for classification and measurement of financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments – Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

IFRS 9 was amended in November 2013 to (i) include guidance on hedge accounting, (ii) allow entities to early adopt the requirement to recognize changes in fair value attributable to changes in an entity's own credit risk, from financial liabilities designated under the fair value option, in other comprehensive loss, without having to adopt the remainder of IFRS 9, and (iii) remove the previous mandatory effective date for adoption of January 1, 2015, although the standard is available for early adoption.

The final version of IFRS was issued in July 2014 and includes: (i) a third measurement category for financial assets – fair value through other comprehensive income; (ii) a single, forward-looking expected loss impairment model; and (iii) a mandatory effective date for IFRS 9 of annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact of the new standard on its financial statements.

3. Capital management

The Corporation manages its capital structure and makes adjustments to it, based on the funds available to the Corporation, in order to support the identification and evaluation of a Qualifying Transaction and continue as a going concern. The Corporation considers capital to be shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Corporation's management to sustain future development of the business. Additional funds may be required to finance the Corporation's Qualifying Transaction.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to the lesser of 30% of the gross proceeds realized by the Corporation in respect of the sale of its securities, or $210,000, may be used for purposes other than evaluating businesses or assets. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Exchange. The Corporation is required to complete its QT on or before two years from the date the Corporation receives regulatory approval.

(Unaudited - in Canadian Dollars)

4. Capital stock

Authorized

Unlimited number of common shares, without nominal or par value

	Number of Shares	Value $
Issued		
Shares issued for cash	10,000,000	500,000
Shares issued for cash, net of share issue costs	3,500,000	183,629
Balance – January 31, 2016	13,500,000	683,629

During the period, the Corporation issued 10,000,000 common shares at $0.05 per share, which are subject to an escrow agreement. The issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange and terms of escrow agreement and will be released from escrow in stages over a period of up to three years after the date of the Company receiving the final Exchange acceptance of the QT. All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a QT must also be deposited in escrow pursuant to the terms of the escrow agreement.

On April 26, 2016 the Corporation completed an Initial Public Offering issuing 3,500,000 shares at $0.10 per share for gross proceeds of $350,000. The capital stock value is net of share issuance costs of $166,371 of which $17,325 relates to the valuation of the agent options issued and constitutes a non-cash item.

Stock options

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.

In determining the stock-based compensation expense, the fair value of options issued is estimated using the Black-Scholes option pricing model.

The stock option plan is subject to regulatory approval.

On April 26, 2016 the Corporation granted 1,350,000 options to officers and directors of the Corporation. The options were priced at $0.10 per share and expire on April 26, 2026. The Corporation also issued 350,000 options to the agent with an exercise price of $0.10 per share and expire on April 26, 2018. In determining the stock based compensation expense, the fair value of options issued is estimated using the Black-Scholes option pricing model.

(Unaudited - in Canadian Dollars)

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

Risk-free interest rate	1.38%
Expected volatility	100%
Expected dividend yield	0%
Expected life	7.7 years

Contributed Surplus

Contributed surplus is made up of $119,610 relating to the options issued to directors and officers and $17,325 relating to the options given to the agent.

5. Related party transactions

Legal services were provided by a firm of which a shareholder of the Corporation is the sole lawyer practitioner. The cost of these services during the period was $50,000. Of the amounts incurred for legal services, $49,000 was included in share issuance costs and $1,000 as professional fees. 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.

There were no other transactions with related parties and no remuneration paid to key management personnel during the period from November 16, 2015, date of incorporation, to April 30, 2016.

6. Financial instruments

Credit risk

The Corporation's financial asset is cash. The Corporation's maximum exposure to credit risk, as at period-end, is the carrying value of its financial asset. The Corporation manages credit risk by maintaining its cash in trust with the Corporations lawyer.

Liquidity risk

The Corporation’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2016, the Corporation had a cash balance of $672,916. The Corporations’ ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through public or private equity offerings. Refer to note 1, Going Concern.

(Unaudited - in Canadian Dollars)

7. Income taxes

a) Losses
The Corporation has non-capital tax losses of approximately $12,880 available for carry-forward to reduce future years' taxable income. These non-capital tax losses expire in 2036.

b) The Corporation's effective income tax rate differs from the amount that would be computed from applying the federal and provincial statutory rate of 31% to the pre-tax net loss for the period. The reasons for the difference are as follows:

	2016 $
Loss before income taxes	132,490
Income tax recovery based on substantively enacted rates	41,072
Stock based compensation	(37,079)
Current year loss for which no asset recognized	(3,993)
	–

c) The following deductible temporary difference and non-capital losses have not been recognized in the financial statements:

	2016 $
Non-capital loss carry-forwards	10,697
Share issuance costs	71,000
	81,697

The non-capital losses noted above expire in 2036.

8. Subsequent events

On June 3, 2016 the Company announced that it entered into an arm's length term sheet to purchase all of the outstanding shares of Northern Family Home Care LLC for US$265,000. Nova Leap is a Capital Pool Company and intends the transaction to constitute its qualifying transaction under the policies of the TSX Venture Exchange. Following completion of the transaction, the resulting issuer will be a Tier 2 Issuer.