



Nova Leap Health Corp.

**Management Discussion & Analysis
For the three months ended March 31, 2017**

NOVA LEAP HEALTH CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2017

BACKGROUND

This Management's Discussion and Analysis ("MD&A") of Nova Leap Health Corp. ("Nova Leap" or "the Corporation") is dated May 26, 2017 and provides an analysis of the Corporation's operations for the three months ended March 31, 2017 and April 30, 2016. This MD&A should be read in conjunction with the condensed interim consolidated financial statements and accompanying notes for the three months ended March 31, 2017 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the audited consolidated financial statements from November 15, 2015, the date of incorporation, to December 31, 2016. All amounts are in United States dollars ("USD") unless otherwise specified. The financial statements are available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com under the Corporation's profile. The common shares of Nova Leap are traded on the TSX Venture Exchange under the symbol "NLH".

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A are forward-looking statements or information (collectively – forward-looking statements). Nova Leap is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors many of which are beyond the control of Nova Leap, that could influence actual results include, but are not limited to: lack of operating history; regulatory risks; substantial capital and liquidity requirements; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; conflicts of interest of management; exposure to potential litigation, and other factors beyond the control of Nova Leap.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, Nova Leap undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of Nova Leap or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risk and Uncertainties".

CORPORATION OVERVIEW

Nova Leap was incorporated pursuant to the Canada Business Corporations Act (“CBCA”) on November 16, 2015. The Corporation’s head office is located at Founder's Corner, 37 Wentworth Street, Unit 104, Dartmouth, NS B2Y 2S9, Canada.

On April 26, 2016, the Corporation completed its initial public offering (the “Offering”) of 3,500,000 common shares at a price of CAD \$0.10 per common share for gross proceeds to the Corporation of \$275,978. From April 26, 2016 until October 13, 2016, the principal business of the Corporation was the identification, evaluation and completion of a Qualifying Transaction (“QT”) pursuant to Exchange Policy 2.4 – Capital Pool Companies. The Corporation spent this period of time investigating prospective acquisitions and devoted all of its efforts to securing and establishing a new business. Accordingly, no operating revenue had been derived during the period from November 16, 2015, date of incorporation, to October 13, 2016.

On October 13, 2016, the Corporation acquired the home care assets (“Significant Assets”) of Northern Family Home Care, Inc. located in New Hampshire, USA. Pursuant to the terms of the Definitive Agreement, Nova Leap’s U.S. subsidiary, Nova Leap Health NH, LLC, acquired the Significant Assets from Northern Family Home Care Inc. for a total purchase price of US\$240,000. The acquisition fulfilled the requirements for Nova Leap’s Qualifying Transaction and is in line with the objective of management to acquire private home care businesses in the United States. In relation to the completion of the QT, on October 25, 2016, the Corporation completed a non-brokered private placement by the issuance of convertible debentures for proceeds of \$186,529 USD (\$250,000 CAD). The debentures mature in 24 months, bear interest at the rate of 7.5% per annum and contain a conversion price of CAD \$0.20 per common share of the Corporation. Any common shares of the Company issued upon conversion of the convertible debentures will be subject to Exchange Tier 2 escrow.

On March 10, 2017, the Corporation closed a non-brokered private placement and raised \$518,969 (\$700,000 CAD) net of share issue costs of \$9,922 (\$13,384CAD) 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. All securities issued pursuant to the private placement were subject to a 4 month hold period that expires on July 11, 2017.

Proposed Transactions

The Corporation has entered into a definitive asset purchase agreement with All About Home Care, LLC (“AAHC”) 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 financing, 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 purchased by a Nova Leap subsidiary for a total purchase price of US\$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.

Northern Family Home Care (“NFHC”)

NFHC was acquired by the Corporation on October 13, 2016 and is in the business of providing non-medical personal homecare serving families in New Hampshire. It offers personal care services in the areas of personal and oral hygiene, bathing and grooming, incontinence care, assistance with restroom use, assistance with daily eating, and live-in/24 hour care. It also provides companion care services in the areas of medication reminders, light housework, laundry and linens, and errands, meal planning and preparation, and grocery shopping. NFHC is headquartered at 41 Cottage Street, Unit 1, Littleton, New Hampshire.

Future Outlook

Nova Leap’s management will continue to organically grow business within New Hampshire. It is expected that cash generated from operations will be reinvested in NFHC to facilitate growth and increase market share.

Nova Leap identified six areas for growth of NFHC as follows:

- 1) Expansion of geographical market;
- 2) Expansion of service offerings
- 3) Increase in hourly billing rates;
- 4) Change to the Corporation's minimum weekly/hourly service requirements;
- 5) Increased cooperation with long-term care facilities; and
- 6) Increased cooperation with other industry participants.

Management is working to execute on each of these growth areas and has executed several initiatives as follows:

- 1) Management has identified the next area for geographic expansion and expects to execute on the expansion by Q3-17. Management has always intended that NFHC would expand operations to cover the entire State of New Hampshire in the coming years. This is possible under NFHC's statewide license.
- 2) Management has begun to explore the licensing requirements for expanded service line to include private pay medical services to clients. With the anticipated acquisition of All About Home Care (Press Release dated April 21, 2017), management plans to leverage off AAHC's policies, procedures and licensing requirements for its existing private pay medical service line. Management continues to view private duty skilled nursing services as an area of organic growth.
- 3) Management has increased hourly billing rates for new clients resulting in higher average revenue per client hour. The increase in billing rates has been well received and is more in line with market rates.
- 4) Management has changed the minimum weekly/hourly service requirements to accept clients with average weekly hours < 20 which resulted in securing several new clients. This change is expected to lead to a significant increase in revenues in the coming years; however, it will take time for the full benefit of this change to be realized. Management is pleased with the progress to date.
- 5) Management has met with discharge personnel at various facilities and will continue to do so.
- 6) Northern Family Home Care has joined the Home Care Association of NH which provides access to other industry participants and management has attended or is registered for related conferences and trade shows which is expected to expand NFHC's profile in the market and state.

Management will continue to execute on its growth initiatives and expects the initiatives to result in increased clients and resulting revenue as forecasted. It is important to note that Management has invested in the business since the acquisition. Investments in areas such as technology which incorporate scheduling, billing and payroll functions enhance efficiencies.

SELECTED ANNUAL INFORMATION

	From the date of incorporation, November 16, 2015, to December 31, 2016
	\$
Revenue	39,991
Net loss	489,519
Net loss per share	
- Basic and diluted	0.04
Total assets	391,466
Long-term financial liabilities	178,280

RESULTS OF OPERATIONS

The condensed interim consolidated financial statements for the three months ended March 31, 2017 and April 30, 2016 have been prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”).

	For the three months ended	
	March 31, 2017	April 30, 2016
	\$	\$
Revenues		
Home care	40,131	-
Operating expenses		
Salaries and benefits	49,192	-
Home care office	14,298	-
	<u>63,490</u>	-
Corporate and administrative expenses		
Amortization	659	-
Bad debt expense	332	-
Consulting fees, salaries & benefits	57,383	-
Foreign exchange gain	(2,454)	-
Insurance	2,142	-
Investor relations and shareholder communications	9,692	-
Office and other	10,329	-
Professional fees	44,877	434
Stock based compensation	-	94,314
Transfer, filing and listing fees	13,813	1,210
Travel	4,316	-
	<u>141,089</u>	<u>95,958</u>
Loss from operating activities	<u>164,448</u>	<u>95,958</u>

Nova Leap generates home care revenues by providing services directly to clients. The Corporation receives payments for providing services from private individuals. Revenue is recognized at an hourly rate specified in client agreements and recognized as revenue at the time services are rendered. The Corporation earned \$40,131 in revenue for the three months ended March 31, 2017.

In the home care industry, employee compensation is generally the single largest expense. The employee compensation is generally made up of a variable component where caregivers are paid on an hourly basis, and a fixed component for salaried office staff. \$49,192 represents the salaries and benefits paid to the home care providers and the full-time office administrator for the three months ended March 31, 2017.

The corporate and administrative costs were primarily professional fees, consulting fees and salary for officers and employees, regulatory and transfer agent fees related to costs associated with operating a public company along with the ongoing management of NFHC and the continued efforts for identification, evaluation and completion of the additional acquisitions.

SUMMARY OF QUARTERLY RESULTS

A summary of quarterly results is included in the table below. The financial information is extracted from or derived from the Corporation's unaudited interim financial statements and conform with IFRS. The Board of Directors changed the Corporation's fiscal year end from October 31 to December 31 to facilitate efficiencies in the administration, accounting and production of the annual audited financial statements.

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.

	Mar 31, 2017	Dec 31, 2016	Oct 31, 2016	Jul 31, 2016
	\$	\$	\$	\$
Revenue	40,131	26,603	13,388	-
Net loss	158,809	118,142	187,874	79,792
Net loss per share				
- Basic and diluted	0.01	0.01	0.01	0.01
	Apr 30, 2016	Nov 16, 2015 to Jan 31, 2016		
	\$	\$		
Revenue	-	-		
Net loss	95,958	7,753		
Net loss per share				
- Basic and diluted	0.01	0.00		

The Corporation's QT closed in October 2016 and active operations began with the acquisition of NFHC resulting in revenues recorded for the later part of October 2016 through December 31, 2016 and the three months ended March 31, 2017. The net loss to date primarily relates to the to the Head Office costs for identification, evaluation and completion of the QT, an impairment loss recorded in the period ended December 31, 2016 for the customer list acquired and ongoing Head Office expenses.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

Operating Activities

The Corporation's cash used in operating activities was \$53,358 for the three months ended March 31, 2017 as compared to cash provided by operations of \$72,983 for the three months ended April 30, 2016. The operating activities for the three months ended March 31, 2017 were primarily corporate and administrative costs (professional fees, consulting fees and salary, regulatory and transfer agent fees, etc.) related to costs associated with operating a public company along with the ongoing management of NFHC and the continued efforts for identification, evaluation and completion of the additional acquisitions. The cash provided by operations for the three months ended April 30, 2016 was primarily related to changes in non-cash working capital

Financing Activities

The Corporation's cash provided by financing activities for the three months ended March 31, 2017 was \$471,978. Financing activities for the period was the issuance of Units through a private placement, for proceeds net of issue costs of \$509,047 offset by repayment of convertible debenture of \$37,069.

The Corporation's cash provided by financing activities for the three months ended April 30, 2016 was \$167,270 related to proceeds from the issuance of common shares.

Liquidity

The condensed interim consolidated financial statements have been prepared on the basis of International Financial Reporting Standards applicable to a going concern, which assumes the realization of assets and settlement of

liabilities in the normal course of business. Continuing operations as intended are dependent on management's ability to raise required funding through future issuances of equity or debt, its ability to acquire targets or business interests and develop profitable operations or as combination thereof, which is not assured.

As at March 31, 2017, the Corporation had working capital of \$418,976. The Corporation's expectations are based on the assumption that the Corporation will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or, if available, that such financing will be on acceptable terms. If adequate financing is not available when required, the Corporation may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Corporation may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Corporation's shareholders and may result in dilution to the value of such interests.

The Corporation's future revenues are expected to be from health care based businesses.

Contractual Obligations

Payments Due by Period					
Contractual Obligations	Total	Less than 1 year	1 – 3 years	4 – 5 years	After 5 years
	\$	\$	\$	\$	\$
Debt (Convertible debentures)	142,481	-	142,481	-	-
Operating Leases	9,520	6,720	2,800	-	-
Total Contractual Obligations	152,001	6,720	145,281	-	-

Capital Resources

The Corporation had 1,700,000 stock options and 1,750,000 warrants outstanding at March 31, 2017, which could, depending upon the Corporation's share price, potentially bring in additional financing upon exercise. There is no certainty that the Corporation will receive these stock option proceeds over time as not all stock options may be exercised.

Subsequent to March 31, 2017, Nova Leap announced it will undertake a non-brokered private placement to raise up to \$1 million CAD by the sale of units of the Company at a price of \$0.20 CAD 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 \$0.35 CAD 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 \$0.35 CAD per share for a period of 24 months from the closing date. The proceeds from the private placement will be used to partially fund the Acquisition and for general working capital purposes.

The private placement is subject to TSX Venture Exchange and other required regulatory approval.

TRANSACTIONS WITH RELATED PARTIES

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 three months ended March 31, 2017 and April 30, 2016 was \$8,633 (\$34,405 – April 30, 2016). Of the amounts incurred for legal services, \$6,416 (\$33,716 – April 30, 2016) was included in share issuance costs and \$2,217 (\$688 – April 30, 2016) 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.

During the period three months ended March 31, 2017 and April 30, 2016, a company controlled by the CEO billed

a total \$4,475 (nil – April 30, 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 includes the following expenses:

	Three months ended	
	March 31, 2017	April 30, 2016
Consulting fees and salary	\$64,425	-
Stock based compensation	-	\$94,314
	\$64,425	\$94,314

As at March 31, 2017, there was \$74,798 included in Accounts payable and accrued liabilities for amounts owed to officers of the Corporation (December 31, 2016 – 27,144).

OFF BALANCE SHEET ITEMS

The Corporation has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA

Authorized capital stock consists of an unlimited number of common shares without nominal or par value.

As at the date of the Management Discussion & Analysis, there were 17,000,000 common shares of the Corporation issued and outstanding of which 7,500,000 were held in escrow.

OUTSTANDING STOCK OPTIONS

The Board of Directors of the Corporation has adopted an incentive stock option plan (“Option Plan”). Under the Option Plan, the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements and applicable securities legislation, grant to directors, officers, employees, consultants and management or employees of the Corporation, non-transferable options to purchase Common Shares, exercisable for a period of up to 10 years from the date of grant. The number of Common Shares reserved for issuance under the Stock Option Plan will not exceed 10% of the issued and outstanding Common Shares of the Corporation. The number of Common Shares reserved for issuance to any one individual Director or Officer may not exceed 5% of the issued and outstanding Common Shares and the aggregate number of Common Shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding Common Shares. Vesting terms are determined by the Board of Directors at the time of grant.

On April 26, 2016, the Corporation granted stock options to its directors and officers to acquire an aggregate of 1,350,000 common shares at a price of CAD \$0.10 per share, exercisable until April 26, 2026. The options issued 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.

Richardson GMP Limited (the “Agent”) acted as agent for the Offering was granted a non-transferrable option (“Agent’s Option”) to purchase 350,000 common shares of the Corporation equal to 10% of the number of common shares sold through the Offering. The Agent’s Option is exercisable for a period of 24 months at a price of CAD \$0.10 per common share.

FUTURE ACCOUNTING STANDARDS ISSUED BUT NOT YET APPLIED

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.

Several new standards and amendments to standards and interpretations are effective for annual periods beginning on or after January 1, 2018 and have not been applied in preparing these consolidated financial statements. Accordingly, the Corporation expects to adopt these standards as set forth below.

IFRS 9, Financial Instruments

In July 2014, the IASB published IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 introduces improvements which include a logical model for classification and measurement of financial assets, a single, forward-looking “expected loss” impairment model and a substantially-reformed approach to hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018. Earlier adoption is permitted. The Corporation has yet to assess the impact of this new standard on its consolidated financial statements.

IFRS 15, Revenue from Contracts with Customers

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 ‘Revenue’, IAS 11 ‘Construction Contracts’, and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018. Management has started to assess the impact of IFRS 15 but is not yet in a position to provide quantified information.

IFRS 16, Leases

IFRS 16 was issued by the IASB in January 2016 and supersedes IAS 17, Leases. The new standard brings most leases on the balance sheet for lessees under a single model and eliminates the distinction between operating and finance leases. Lessor accounting remains largely unchanged. IFRS 16 becomes effective for annual periods beginning on or after January 1, 2019. The Corporation is currently evaluating the impact of IFRS 16 on its consolidated financial statements and does not expect it to have a significant effect on the consolidated financial statements.

RISKS AND UNCERTAINTIES

The following are certain factors relating to the business of the Corporation. These risks and uncertainties are not the only ones facing the Corporation. Additional risks and uncertainties not currently known to the Corporation, or that the Corporation currently deems immaterial, may also impair operations of the Corporation. If any such risks actually occur, the financial condition, liquidity and results of operations of the Corporation could be materially adversely affected and the ability of the Corporation to implement its plans could be adversely affected.

Lack of Operating History

The Corporation is a relatively new company with limited operating history. The Corporation was incorporated in November 2015 and completed its first home care business acquisition on October 13, 2016. It has yet to generate a profit from its activities. The Corporation will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Corporation anticipates that it may take several years to achieve positive cash flow from operations.

Substantial Capital Requirements

Substantial additional funds for the establishment of the Corporation’s planned operations will be required. No assurances can be given that the Corporation will be able to raise the additional funding that may be required for such activities. To meet such funding requirements, the Corporation may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Corporation or at all. If the Corporation is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Financing Risks and Dilution to Shareholders

The Corporation has limited financial resources and is in early stages of operations. If the Corporation’s business plan is successful, additional funds will be required. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Corporation’s shareholders.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Corporation's shares will be subject to market trends generally and the value of the Corporation's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Corporation's financial viability because of increased financing costs and limited access to capital markets.

Dependence on Management

The Corporation is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Corporation could result, and other persons would be required to manage and operate the Corporation.

Conflicts of Interest

The Corporation's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Corporation may participate, the directors and officers of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Corporation will follow the provisions of the Business Corporations Act, Nova Scotia ("Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of Nova Scotia, the directors and officers of the Corporation are required to act honestly, in good faith and in the best interest of the Corporation.

Litigation

The Corporation and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Operations

Renewal of Home Care License

To operate a Home Care Service Provider agency in the State of New Hampshire, a company is required to have a license that is in compliance with the New Hampshire Code of Administrative rules. Such a license is subject to periodical renewal, and as a result there is no assurance or guarantee that the Resulting Issuer will pass any future license renewal processes. If the license is not renewed it will impact the ability to generate future profits. The Corporation currently operates under a valid license.

Competition

The health care industry is intensely competitive. The Corporation competes with other companies that have greater financial resources. Competition could adversely affect the Corporation's ability to expand in the future.

FINANCIAL INSTRUMENTS

The Corporation has classified its financial instruments as follows:

- Cash and cash equivalents / sales tax recoverable – Loans and receivables
- Accounts receivable – Loans and receivables
- Accounts payable and accrued liabilities - other liabilities
- Convertible debentures – other liabilities

Loans and receivables, and other liabilities are subsequently measured at amortized cost using the effective interest rate method.

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 March 31, 2017, as summarized below:

Classes of financial assets – carrying amounts	
Cash and cash equivalents	\$566,895
Accounts receivable	11,912
	<hr/>
	\$578,807

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 March 31, 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.

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 if a shortfall is anticipated. As at March 31, 2017, the Group had a cash and cash in trust balance of \$566,895. 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 and convertible debentures.

	< 1 year	1-2 years	3-5 years	> 5 years
	\$	\$	\$	\$
Account payable and accrued liabilities	167,785	-	-	-
Convertible debentures	-	142,281	-	-

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. Management's intention is for the US operation to be cash flow positive within the first 12-18 months of operations therefore reducing the reliance on any need to use CAD equity or debt financing for working capital purposes.

The Group's exposure to CAD dollar currency risk was as follows:

	CAD
	\$
Cash and cash equivalents	746,162
Accounts payable & accrual liabilities	(188,117)
Convertible debentures	(189,903)
	(368,142)

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 \$2,800.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Nova Leap's expenses are provided in the Corporation's statement of loss and note disclosures contained in its financial statements for the three months ended March 31, 2017. These statements are available on Nova Leap's SEDAR Page Site accessed through www.sedar.com.

Dividends

The Corporation has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for corporate development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Corporation's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance IFRS.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Nature of the Securities

The purchase of the Corporation's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Corporation's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Corporation. The Board of Directors of the Corporation has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests its.

Dated: May 29, 2017