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## Nova Leap Health Corp. Reports Third Quarter 2018 Financial Results and Provides Corporate Update

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**HALIFAX, November 22, 2018** - NOVA LEAP HEALTH CORP. (TSXV: NLH) (“Nova Leap” or “the Company”), a company focused on the home health care industry, is pleased to announce the release of financial results for the third quarter ended September 30, 2018. All amounts are in United States dollars unless otherwise specified.

### Nova Leap Third Quarter Financial Results

Financial highlights for the quarter ended September 30, 2018 included the following:

	Q3-2018	Q2-2018	% Change
<b>Revenue</b>	<b>\$2,871,010</b>	<b>\$2,425,066</b>	<b>18.39%</b>
<b>Gross Margin</b>	<b>\$879,175</b>	<b>\$786,321</b>	<b>11.81%</b>
<b>Net loss</b>	<b>\$378,382</b>	<b>\$171,463</b>	<b>120.68%</b>
<b>Total one-time or non-cash items included in net loss comprised of the following:</b>			
• Acquisition related expenses	\$83,673	\$41,255	102.82%
• Amortization	\$177,472	\$151,514	17.13%
• Stock-based compensation	\$26,248	\$26,567	(1.20%)
• Foreign exchange gain (loss)	\$69,608	(\$83,972)	(182.89%)
<b>Annual recurring revenue run rate (defined below)</b>	<b>\$14,624,000</b>	<b>\$11,400,000</b>	<b>28.28%</b>

“We have been successfully integrating our acquisitions each quarter which is evident by the increase in our operating segment EBITDA margins”, said Chris Dobbin, President and CEO of Nova Leap, “Our focus for the remainder of the year is to integrate our last two acquisitions, analyze the acquisition opportunities currently in front of us and ensure a proper allocation of human and financial capital as we plan ahead for what we believe will be another year of significant growth in 2019. ”

Other highlights for the quarter ended September 30, 2018 included the following:

- The Company reported double digit revenue growth for the fifth consecutive quarter;



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- Each of the United States and Canadian operating segments were profitable during the second quarter and combined operating segment EBITDA as a percentage of revenue increased by 0.9% from 9.8% to 10.7%;
- Closed the previously announced acquisition of Comprehensive Home Care located in South Deerfield, Massachusetts on September 28, 2018;
- Announced the execution of the Definitive Agreement to acquire a home health care business in New England, the acquisition of which was completed subsequent to Q3;
- Closed the first tranche of a brokered private placement in September 2018 and raised gross proceeds of \$361,954 (\$468,550 CAD);
- Closed the first tranche of a non-brokered private placement in September 2018 and raised gross proceeds of \$864,442 (\$1,119,020 CAD).

This news release should be read in conjunction with the interim condensed consolidated financial statements for the three and nine months ended September 30, 2018, notes to the financial statements, and management's discussion and analysis, which have been filed on SEDAR.

### Corporate Update

- Management had previously announced its updated plans, during the release of Q1 results and the Company's corporate update, to complete up to five acquisitions in 2018. Management has delivered on the Company's plans as five acquisitions have been closed in 2018, to date;
- On October 22, 2018, subsequent to Q3, Nova Leap closed the previously announced acquisition of Living at Home SeniorCare in Amherst, New Hampshire;
- Management continues to explore and evaluate further opportunities for the acquisition of profitable home health care businesses;
- Management had previously indicated that it was targeting to exit 2018 with a revenue run rate range of \$14 million to \$15 million. The closing of the acquisitions of Comprehensive Home Care and Living at Home SeniorCare place the Company on track to achieve this target.

### About Nova Leap

The Home Care Providers industry is 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, facilities or hospice. 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.



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### **NON-GAAP MEASURE:**

*Annual recurring revenue run rate is the expected annualized recurring revenue based on the most recent month's actual revenue for current operations multiplied by 12.*

*For acquisitions that closed subsequent to the reporting period or are expected to close and have been disclosed in a press release as material information, annual recurring revenue run rate is the expected annualized recurring revenue based on the most recent month's revenue for current operations multiplied by 12 plus the annual revenue based on the most recent financial information available for the newly acquired operations or operations which are expected to close and have been disclosed in a press release as material information.*

### **FORWARD LOOKING INFORMATION:**

*Certain information in this press release may contain forward-looking statements, such as statements regarding future expansions and cost savings, the Company's expected 2018 revenue run rate and plans regarding future acquisitions and financings. This information is based on current expectations and assumptions, including assumptions concerning the Company's ability to integrate its acquired businesses and maintain previously achieved service hour and revenue levels, 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](http://www.sedar.com).*

### **For further information:**

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### **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.*