

## AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is made as of the 13<sup>th</sup> day of December, 2021,

AMONG:

**EMPATHO CORP.**

a corporation existing under the laws of Canada

(“Empatho”)

- and -

**EMPATHO HOLDINGS INC. (FORMERLY, SHANE RESOURCES LTD.)**

a corporation existing under the laws of the Province of British Columbia

(“Empatho Holdings”)

- and -

**13348776 CANADA INC.,**

a corporation incorporated under the laws of Canada

(“Subco”);

**WHEREAS**, Empatho and Empatho Holdings have agreed to effect an amalgamation of Empatho and Subco under the authority contained in the CBCA upon the terms and conditions hereinafter set out;

**AND WHEREAS**, Empatho and Subco are each incorporated under the CBCA;

**AND WHEREAS**, Subco is a wholly-owned subsidiary of Empatho Holdings;

**AND WHEREAS**, the authorized capital of Empatho consists of an unlimited number of Empatho Shares, of which 51,800,000 Empatho Shares are issued and outstanding at the date hereof as fully paid and non-assessable shares;

**AND WHEREAS**, the authorized capital of Subco consists of an unlimited number of Subco Shares, of which 100 Subco Shares are issued and outstanding at the date hereof as fully paid and non-assessable shares, which are owned of record by Empatho Holdings;

**AND WHEREAS**, pursuant to the Amalgamation, and subject to the terms of this Agreement, Empatho and Subco shall amalgamate and continue as Amalco, which shall become a wholly-owned subsidiary of Empatho Holdings, and Empatho Holdings shall issue to each Empatho Shareholder Post-Consolidation Empatho Holdings Shares on the basis of the Exchange Ratio;

**AND WHEREAS** Empatho, Empatho Holdings and Subco have each made full disclosure to the other of all their respective assets and liabilities;

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties agree as follows:

### 1. Interpretation

In this Agreement, including the recitals hereto, the following words and expressions shall have the respective meanings ascribed to them below:

“**Agreement**” means this agreement, its recitals and exhibits, as the same may be amended, modified or supplemented from time to time.

“**Amalco Shareholder**” means a registered holder of Amalco Shares, from time to time, and “**Amalco Shareholders**” means all of such holders.

“**Amalco Shares**” means the common shares in the share capital of Amalco.

“**Amalco**” means the corporation resulting from the Amalgamation and continuing the corporate existence of the Amalgamating Corporations.

“**Amalgamating Corporations**” means Empatho and Subco, and “**Amalgamating Corporation**” means either of them as applicable.

“**Amalgamation**” means the amalgamation of the Amalgamating Corporations pursuant to the provisions of the CBCA in the manner contemplated in and pursuant to this Agreement.

“**Articles of Amalgamation**” means the articles of amalgamation giving effect to the Amalgamation to be filed with the Director pursuant to this Agreement, in the form attached hereto as Exhibit “A”.

“**Business Combination Agreement**” means the business combination agreement dated October 29, 2021 between Empatho and Empatho Holdings.

“**CBCA**” means the *Canada Business Corporations Act* as the same has been and may hereafter from time to time be amended.

“**Certificate of Amalgamation**” means the certificate of amalgamation to be issued by the Director in respect of the Amalgamation.

“**Director**” means the Director appointed under Section 260 of the CBCA.

“**Dissenting Empatho Shareholder**” means a registered holder of Empatho Shares who, in connection with the Empatho Approval, has exercised the right to dissent pursuant to Section 190 of the CBCA in strict compliance with the provisions thereof and thereby becomes entitled to be paid the fair value of his, her or its Empatho Shares except in certain circumstances, including where such holder withdraws the notice of dissent before Empatho makes an offer to such holder pursuant to Subsection 190(12) of the CBCA, Empatho fails to make an offer to such holder in accordance with Subsection 190(12) of the CBCA and such holder withdraws the notice of dissent, or the directors of Empatho terminate this Agreement in accordance with section 183(6) of the CBCA.

“**Effective Date**” means the date shown on the Certificate of Amalgamation.

“**Effective Time**” means 12:01 a.m. (Toronto time) on the Effective Date or such other time on the Effective Date as may be agreed by Empatho and Empatho Holdings.

“**Empatho Finder Unit Warrants**” means warrants of Empatho issued to the Finder in connection with the Subscription Receipt Offering, with each warrant exercisable for one Empatho Unit at a price of \$0.25 until June 29, 2023.

“**Empatho Holdings Shares**” means the common shares in the capital of Empatho Holdings.

“**Empatho Shares**” means the common shares in the capital of Empatho.

“**Empatho Shareholder**” means a registered holder of Empatho Shares, from time to time, and “**Empatho Shareholders**” means all of such holders.

“**Empatho Subscription Receipt Agreement**” means a subscription receipt agreement between Empatho, the Subscription Receipt Agent and the Finder dated June 29, 2021, providing for the issuance of the Empatho Subscription Receipts.

“**Empatho Subscription Receipts**” means the subscription receipts of Empatho issued pursuant to the Subscription Receipt Offering and exchangeable into Empatho Units in accordance with the terms and conditions of the Empatho Subscription Receipt Agreement.

“**Empatho Unit**” means a unit issuable by Empatho upon the conversion of the Empatho Subscription Receipts in accordance with the terms of the Empatho Subscription Receipt Agreement, with each unit consisting of one Empatho Share and one Empatho Unit Warrant.

“**Empatho Unit Warrants**” means the warrants of Empatho issuable upon the conversion of the Empatho Subscription Receipts with each warrant exercisable at a price of \$0.50 until June 29, 2023.

“**Empatho Warrants**” means collectively, the Empatho Unit Warrants and the Empatho Finder Unit Warrants.

“**Exchange Ratio**” means one (1) Post-Consolidation Empatho Holdings Shares for each one (1) Empatho Share.

“**fair value**” where used in relation to an Empatho Share held by a Dissenting Empatho Shareholder, means fair value as determined by a court under Section 190 of the CBCA or as agreed between Empatho and the Dissenting Empatho Shareholder.

“**Parties**” means Empatho, Subco and Empatho Holdings, and “**Party**” means each of them as applicable.

“**Person**” means a natural person, partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, joint venture or other entity, and pronouns have a similarly extended meaning.

“**Post-Consolidation Empatho Holdings Shares**” collectively means the Empatho Holdings Shares after giving effect to the Stock Consolidation and individually a “**Post-Consolidation Empatho Holdings Share**”.

“**Stock Consolidation**” means a consolidation of the issued and outstanding Empatho Holdings Shares on the basis of the Stock Consolidation Ratio.

“**Stock Consolidation Ratio**” means the ratio for the Stock Consolidation, being 6.15099 Post-Consolidation Empatho Holdings Shares for every one (1) pre-Consolidation Empatho Holdings Share held, which was completed on December 3, 2021.

“**Subco Shareholder**” means the registered holder of Subco Shares, being Empatho Holdings.

“**Subco Shares**” means the common shares in the capital of Subco.

“**Subscription Receipt Offering**” means the non-brokered private placement of 12,552,000 subscription receipts completed by Empatho on June 29, 2021.

## **2. Paramouncy**

In the event of any conflict between the provisions of this Agreement and the provisions of the Business Combination Agreement, the provisions of this Agreement shall prevail.

## **3. Agreement to Amalgamate**

Each of the Parties hereby agrees to the Amalgamation such that the Amalgamating Corporations shall amalgamate to create and continue as Amalco under the provisions of Section 184(2) of the CBCA, on the terms and conditions set out in this Agreement.

## **4. Filing of Articles**

Following the approval of this Agreement by the shareholders of the Amalgamating Corporations in accordance with the CBCA, and in accordance with the terms and conditions of the Business Combination Agreement, including the satisfaction or waiver of all conditions precedent set forth in the Business Combination Agreement, Empatho shall file the Articles of Amalgamation with the Director as provided under the CBCA.

## **5. Conditions Precedent to the Amalgamation**

The Amalgamation is subject to the satisfaction or waiver by the party entitled to make such waiver, of the conditions precedent set forth in Article 7 of the Business Combination Agreement. The signing and delivery of the Articles of Amalgamation by Empatho and Subco shall be conclusive evidence that such conditions have been satisfied to the satisfaction of Empatho and Empatho Holdings, or waived by the party entitled to make such waiver, and that Empatho and Subco may amalgamate in accordance with the provisions of this Agreement.

## **6. Amalgamation Events**

Pursuant to the Amalgamation, on the Effective Date:

- (a) each issued and outstanding Empatho Share held by each Dissenting Empatho Shareholder will become an entitlement to be paid the fair value of such share;
- (b) each issued and outstanding Subco Share shall be exchanged for one (1) fully paid and non-assessable Amalco Share;
- (c) subject to Section 6(a), holders of outstanding Empatho Shares (including, for greater certainty, holders of all Empatho Shares issuable upon the automatic conversion of the Empatho Subscription Receipts) shall receive, in respect of each Empatho Share held, a number of Post-Consolidation Empatho Holdings Shares equal to the Exchange Ratio and the Empatho Shares will be cancelled;
- (d) following the Effective Time, all outstanding Empatho Warrants will be similarly exchanged or converted in accordance with the Exchange Ratio such that, following the Business Combination, such Empatho Warrants will entitle the holders thereof to acquire for the same aggregate consideration the number of Post-Consolidation Empatho Holdings Shares that the holder would have been entitled to receive pursuant to the Business Combination had the holder exercised its Empatho Warrants to become an Empatho Shareholder prior to the Business Combination;
- (e) as consideration for the issuance of the Post-Consolidation Empatho Holdings Shares to the former Empatho Shareholders to effect the Amalgamation, Amalco will issue, to Empatho Holdings, one (1) fully paid Amalco Share for each one (1) Post-Consolidation Empatho Holdings Share so issued;
- (f) Empatho and Subco shall be amalgamated and continue as Amalco;
- (g) all of the property and assets of each of Empatho and Subco shall be the property and assets of Amalco and Amalco shall be liable for all of the liabilities and obligations of each of Empatho and Subco, including civil, criminal and quasi criminal, and all contracts, liabilities and debts of Subco and Empatho;
- (h) all rights of creditors against the property, assets, rights, privileges and franchises of Subco and Empatho and all liens upon their property, rights and assets shall be unimpaired by the Amalgamation and all debts, contracts, liabilities and duties of Subco and Empatho shall thenceforth attach to and be enforced against Amalco; and
- (i) no action or proceeding by or against Subco or Empatho shall abate or be affected by the Amalgamation but, for all purposes of such action or proceeding, the name of Amalco shall be substituted in such action or proceeding in place of Subco or Empatho, as the case may be.

## **7. Articles of Amalgamation**

The Articles of Amalgamation of Amalco shall be in the form attached hereto as Exhibit "A".

## **8. Name**

The Name of Amalco shall be "Empatho Corp.", or such other name as mutually agreed to by the Parties.

**9. Registered Office**

Until changed in accordance with the CBCA, the registered office of Amalco shall be in the Province of Ontario.

**10. Authorized Capital**

The authorized capital of Amalco shall consist of an unlimited number of Amalco Shares, the rights, privileges, restrictions and conditions attaching to which shall be as set out in the Articles of Amalgamation attached hereto as Exhibit "A".

**11. Share Transfer Restrictions**

The Amalco Shares shall be subject to restrictions on transfer as set out in the Articles of Amalgamation attached hereto as Exhibit "A".

**12. Business**

There shall be no restrictions on the business which Amalco is authorized to carry on or the powers which Amalco may exercise.

**13. Number of Directors**

The board of directors of Amalco shall consist of not less than one (1) and not more than ten (10) directors, the exact number of which shall be determined by the directors from time to time.

**14. First Directors**

The first director(s) of Amalco shall be the person(s) whose names and residential addresses appear below:

| Name      | Address    | Resident Canada |
|-----------|------------|-----------------|
| Yan Namer | [redacted] | Yes             |

The above director(s) shall hold office from the Effective Date until the first annual meeting of Amalco Shareholders or until their successor(s) are elected or appointed.

**15. By-laws**

The by-laws of Amalco shall be, to the extent not inconsistent with this Agreement, the by-laws of Subco, until repealed or amended.

**16. Fractional Shares**

No fractional Empatho Holdings Shares or Amalco Shares will be issued or delivered to any former Empatho Shareholders or the former Subco Shareholder otherwise entitled thereto, if any. Instead, the number of Empatho Holdings Shares or Amalco Shares issued to each former holder of Empatho Shares or Subco Shares will be rounded up to the nearest whole number.

**17. Stated Capital**

The stated capital account in the records of Amalco for the Amalco Shares shall be equal to the stated capital attributed to the Empatho Shares and the Subco Shares, determined immediately before the Amalgamation.

**18. Termination**

Subject to the terms of the Business Combination Agreement, this Agreement may be terminated by the board of directors of each of the Amalgamating Corporations, notwithstanding the approval of this Agreement by the shareholders of the Amalgamating Corporations, at any time prior to the issuance of the Certificate of Amalgamation. If this Agreement is terminated pursuant to this Section, this Agreement shall forthwith become void and of no further force and effect.

**19. Governing Law**

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Party hereby irrevocably attorns to the jurisdiction of the courts of the Province of Ontario sitting in and for the judicial district of Toronto in respect of all matters arising under or in relation to this Agreement.

**20. Further Assurances**

Each of the Parties agrees to execute and deliver such further instruments and to do such further reasonable acts and things as may be necessary or appropriate to carry out the intent of this Amalgamation Agreement.

**21. Time of the Essence**

Time shall be of the essence of this Agreement.

**22. Amendments**

This Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

**23. Counterparts**

This Agreement may be signed in counterparts (including counterparts by facsimile), and all such signed counterparts, when taken together, shall constitute one and the same agreement, effective on this date.

*[Remainder of page intentionally left blank. Signature page follows.]*

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**EMPATHO CORP.**

Per: *"Yan Namer"*

---

Yan Namer  
CEO

**EMPATHO HOLDINGS INC. (FORMERLY, SHANE  
RESOURCES LTD.)**

Per:

*"Binyomin Posen"*

---

Binyomin Posen  
CEO, Director

**13348776 CANADA INC.**

Per:

*"Binyomin Posen"*

---

Binyomin Posen  
Director

**EXHIBIT "A"**  
**ARTICLES OF AMALGAMATION**

See attached.





**Canada Business Corporations Act (CBCA)  
FORM 9  
ARTICLES OF AMALGAMATION  
(Section 185)**

**1 - Corporate name of the amalgamated corporation**

Empatho Corp.

**2 - The province or territory in Canada where the registered office is situated (do not indicate the full address)**

Ontario

**3 - The classes and any maximum number of shares that the corporation is authorized to issue**

See Schedule attached.

**4 - Restrictions, if any, on share transfers**

See Schedule attached.

**5 - Minimum and maximum number of directors (for a fixed number of directors, indicate the same number in both boxes)**

Minimum number

Maximum number

**6 - Restrictions, if any, on the business the corporation may carry on**

There are no restrictions.

**7 - Other provisions, if any**

See Schedule attached.

**8 - The amalgamation has been approved pursuant to that section or subsection of the Act which is indicated as follows:**

|                       |  |                       |  |                                  |  |
|-----------------------|--|-----------------------|--|----------------------------------|--|
| <input type="radio"/> | <b>183 - Long form:<br/>approved by special<br/>resolution of shareholders</b> | <input type="radio"/> | <b>184(1) - Vertical short-form:<br/>approved by resolution of<br/>directors</b> | <input checked="" type="radio"/> | <b>184(2) - Horizontal short-form:<br/>approved by resolution of<br/>directors</b> |
|-----------------------|--|-----------------------|--|----------------------------------|--|

**9 - Declaration**

I hereby certify that I am a director or an authorized officer of the following corporation:

| Name of the amalgamating corporations | Corporation number | Signature        |
|---------------------------------------|--------------------|------------------|
| 13348776 Canada Inc.                  | 1334877 - 6        | "Binyomin Posen" |
| Empatho Corp.                         | 1251160 - 6        | "Yan Namer"      |
|                                       | -                  |                  |
|                                       | -                  |                  |

**Note:** Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).



**Instructions**  
**FORM 9**  
**ARTICLES OF AMALGAMATION**

**Filing this application costs \$200.**

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

**Item 1**

Set out the proposed name of the amalgamated corporation that complies with sections 10 and 12 of the CBCA. If this name is not the same one as one of the amalgamating corporations, articles of amalgamation must be accompanied by a Nuans Name Search Report dated not more than ninety (90) days prior to the receipt of the articles by Corporations Canada. A numbered name may be assigned under subsection 11(2) of the CBCA without a Nuans Name Search Report.

**Item 2**

Set out the name of the province or territory within Canada where the registered office is to be situated.

**Item 3**

Set out the details required by paragraph 6(1)(c) of the CBCA, including details of the rights, privileges, restrictions and conditions attached to each class of shares. All shares must be without nominal or par value and must comply with the provisions of Part V of the CBCA.

**Item 4**

If restrictions are to be placed on the right to transfer shares of the corporation, set out a statement to this effect and the nature of such restrictions.

**Item 5**

State the number of directors. If cumulative voting is permitted, the number of directors must be fixed.

**Item 6**

If restrictions are to be placed on the business the corporation may carry out, set out the restrictions.

**Item 7**

Set out any provisions, permitted by the CBCA or its Regulations to be set out in the by-laws of the corporation, that are to form part of the articles, including any pre-emptive rights or cumulative voting provisions.

**Item 8**

Indicate whether the amalgamation is under section 183 or subsection 184(1) or 184(2) of the CBCA.

**Item 9**

A director or officer of the amalgamating corporations shall sign the articles.

If space in items 3, 4, 6, 7 and 9 is insufficient, please attach a schedule.

**Also Include:**

- Form 2 - Initial Registered Office Address and First Board of Directors
- A statutory declaration from a director or officer of each amalgamating corporation in accordance with subsection 185(2) of the CBCA.
- A Nuans Name Search Report, if applicable
- Fee of \$200, payable by credit card (American Express, Visa or Master Card) or by cheque made payable to the Receiver General for Canada

For more information, consult the Corporations Canada Website ([corporationscanada.ic.gc.ca](http://corporationscanada.ic.gc.ca)) or call toll-free (within Canada) **1-866-333-5556** or (from outside Canada) **(613) 941-9042**.

**Send documents:**

**By e-mail:** [IC.corporationscanada.IC@canada.ca](mailto:IC.corporationscanada.IC@canada.ca)

**By mail:** Corporations Canada  
235 Queen Street  
Ottawa, Ontario K1A 0H5

## SCHEDULE

### *3 - The classes and any maximum number of shares that the corporation is authorized to issue*

1. The corporation is authorized to issue an unlimited number of common shares.
2. The common shares shall have the following rights, privileges, restrictions and conditions:
  - (a) The holders of the common shares shall be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amount and payable at such times and at such place or places in Canada as the board of directors may from time to time determine. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or rateably with the common shares, the board of directors may in their sole discretion declare dividends on the common shares to the exclusion of any other class of shares of the Corporation.
  - (b) In the event of any liquidation, dissolution or winding-up of the Corporation or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of common shares shall, subject to the rights of the holders of any class of shares of the Corporation entitled to receive the assets of the Corporation upon such a distribution in priority to the holders of the common shares, be entitled to share rateably share for share and without preference or distinction in any further distributions of the assets of the Corporation.
  - (c) The holders of the common shares shall be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one (1) vote in respect of each common share held at all meetings.

## SCHEDULE

### *4 - Restrictions, if any, on share transfers*

The right to transfer securities (including for greater certainty shares), other than non-convertible debt securities of the Corporation, shall be restricted in that no such securities shall be transferred without the consent of either:

(a) the directors expressed by resolution passed by the board of directors at a meeting of directors or by an instrument or instruments signed by a majority of directors; or

(b) the holder or holders of a majority of the outstanding securities entitled to vote expressed by resolution passed at a meeting of the shareholders or by an instrument or instruments signed by the holder or holders of a majority of such securities,

which consent may be given either prior or subsequent to the time of transfer of such securities.

## SCHEDULE

### *7 - Other provisions, if any*

The Corporation shall be entitled to a lien on a share registered in the name of a shareholder or his legal representative for a debt of that shareholder to the Corporation.