

Empatho Holdings Inc. Announces Shares for Debt Settlement

Toronto, Ontario (Newsfile Corp. – August 14, 2023) - Empatho Holdings Inc. (CSE: EMPH) (formerly, Shane Resources Ltd.) ("**Empatho**" or the "**Company**") announces that it has agreed with certain of its creditors to issue an aggregate of 29,039,980 common shares (the "**Settlement Shares**") to such creditors in exchange for outstanding accounts payable (the "**Shares for Debt Transaction**") in the aggregate amount of CA\$1,451,999.01 (the "**Debt**") owing to certain creditors (the "**Creditors**"). The Settlement Shares are being issued at a price of \$0.05, in accordance with the policies of the Canadian Securities Exchange (the "**CSE**").

The Company is completing the Shares for Debt Transaction to improve its financial position by reducing its existing liabilities. All Settlement Shares will be subject to a four-month and one-day hold period. The Shares for Debt Transaction remains subject to CSE acceptance. No new control person of the Company will be created pursuant to the Shares for Debt Transaction.

The Shares for Debt Transaction constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**") as it is anticipated that Hybrid Financial Inc. (a greater than 10% shareholder of the Corporation), Yan Namer (CEO of the Corporation), John C Ross Consulting, (an entity controlled by the CFO of the Corporation, John Ross), Dr R. Jetly MPC (a corporation controlled by Dr. Rakesh Jetly, Director of the Corporation), Cortical Insights Inc. (a corporation controlled by Josh Granek, Chief Technical Officer of the Corporation), and Tachyon Labs Inc. (a corporation controlled by Hamid Boland, Chief Scientific Officer of the Corporation), will be issued Settlement Shares in connection with the debt settlement. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the shares for debt transaction with the forgoing insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the debt settlement, which the Company deems reasonable in the circumstances as the Company wishes to improve its financial position by reducing its existing liabilities.

About Empatho

Empatho Holdings Inc. is a virtual well-being firm focused on a smart solution powered by proprietary PsychAI™ artificial intelligence (AI), that strategically guides users to achieve individualized or personalized well-being goals. The Company provides a data-driven mobile application using advanced technology to engage individuals in the management of their own health, helping individuals become more productive and uncovering potential efficiencies and cost savings for employers.

On behalf of the Board of Directors

Yan Namer
Chief Executive Officer
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Cautionary Statements

This news release contains "forward-looking statements" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking statements.

Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". Forward looking statements in this news release include statements with respect to the Shares for Debt Transaction, including the terms, timing, CSE approval and completion thereof.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company's ability to continue as a going concern and the continued approval of the Company's activities by the relevant governmental and/or regulatory authorities.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: risks associated with general economic conditions, adverse industry events, marketing costs, loss of markets, future legislative and regulatory developments, the inability to access sufficient capital on favourable terms, income tax and regulatory matters, the ability of the Company to execute its business strategies, the inability of the Company's proprietary applications to carry out the enumerated functions and risks associated with the Company's common shares trading on the CSE.

Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.