

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

LUXXFOLIO Holdings Inc. (the “Company”)
212 – 1080 Mainland Street
Vancouver, British Columbia V6B 2T4

2. Date of Material Change

September 10, 2020

3. News Release

The Company disseminated a news release in respect of the material change on September 11, 2020 via Baystreet and Stockwatch news wire services. The news release was filed on SEDAR on September 11, 2020.

4. Summary of Material Change

The Company executed amendments to the subscriptions for the previously announced first tranche of a non-brokered private placement.

5.1 Full Description of Material Change

In connection with the Company’s previously disclosed non-brokered private placement, as amended (the “Offering”), the Company has executed amendments to the subscription agreements (the “Amendments”) with all subscribers of the first tranche (“First Tranche”) of the Offering.

The Offering was initially announced on June 2, 2020. On July 3, 2020, the Company announced an amendment to the Offering and the close of the First Tranche. The First Tranche consisted of subscriptions for 2 million of the maximum 4 million class A convertible preferred shares of the Company (the “Preferred Shares”) at a price of C\$0.05 per Preferred Share. On August 31, 2020, the Company announced that the Offering was amended to up to 8 million special warrants of the Company (the “Special Warrants”) at a price of C\$0.05 per Special Warrant and the close of the second tranche of the Offering.

Under the Amendments, the subscribers of the First Tranche (the “Subscribers”) and the Company agree to cancel the Subscribers’ subscription for Preferred Shares in the First Tranche and replace such subscriptions with subscriptions for Special Warrants,

at a price of C\$0.05 per Special Warrant, in the Offering. The terms of the Special Warrants were previously disclosed in the Company's August 31, 2020 news release and material change report, both of which are filed on SEDAR.

The Company intends to use the proceeds from the Offering for general working capital and to enable the Company to pursue the strategic review which was announced in December (the "Strategic Review") and related opportunities, which may include, but are not limited to, the Letter of Intent disclosed in March of this year, changes to the capital structure, the acquisition or merger of a strategic opportunity, the disposition of certain assets of the Company, or the further development and expansion of the Company's wholly owned subsidiary's authentication and distributed ledger technology.

There is no assurance that the Strategic Review or the Offering or both will result in the approval or completion of any strategic alternative or transaction in the future. The Company continues to proceed expeditiously but has not set a timetable for completion of the Strategic Review. The Company will provide updates on the Strategic Review at such time as it determines that further disclosure is appropriate or required.

5.2 Disclosure for Restructuring Transaction

Not applicable.

6. Reliance on subsection 7.1(2) of National Instrument 51.102

This report is not being filed on a confidential basis

7. Omitted Information

No significant facts required to be disclosed have been omitted.

8. Executive Officer

For further information contact:

Name: Dean Linden
Officer: Chief Executive Officer
Telephone: (604) 398-3837

9. Date of Report

September 11, 2020