

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

December 30, 2020

3. News Release

The Company disseminated a news release in respect of the material change on December 30, 2020, through the newswire services of Cision. The news release was filed on SEDAR on December 30, 2020.

4. Summary of Material Change

The Company completed a non-brokered private placement.

5.1 Full Description of Material Change

The Company completed its previously announced non-brokered private placement of 4 million common shares (the "Securities") at a price of C\$0.075 per common share (the "Offering"). In addition, as approved by the Canadian Securities Exchange, an overallotment of 1,200,000 common shares was fully exercised, resulting in a total of 5,200,000 common shares issued for total gross proceeds of \$390,000. The issuance date of the Securities is December 30, 2020.

All securities issued and issuable pursuant to the Offering will be subject to a hold period of four months and one day from the date of issuance.

An insider of the Company subscribed for 400,000 common shares in the Offering and such subscription is a "related party transaction" under Multilateral Instrument 61-101 ("MI 61-101"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves the insider, exceeds 25% of the Company's market capitalization. The Company did not file a material change report 21 days prior to the

transaction because the Company had not received and accepted a subscription from the insider at that time.

The Company intends to use the proceeds to pursue strategic review opportunities, which may include, but are not limited to, the non-binding term sheet disclosed on November 24, 2020, changes to the capital structure, acquisition or merger of a strategic opportunity, the disposition of certain assets of the Issuer, or the further development and expansion of the Issuer'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: (425) 449-9442 / (604) 398-3837

9. Date of Report

December 30, 2020