

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Luxxfolio Holdings Inc. (the "Issuer").**

Trading Symbol: **LUXX**

Number of Outstanding  
Listed Securities: **14,879,657 common shares**

Date: **June 05, 2019**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**The Issuer's sole business is that of its wholly owned subsidiary Luxxfolio Networks Inc. (the "Company"). The Company is a financial technology**

company developing a cloud-based blockchain platform to enable users to record and authenticate luxury assets and collectibles and use them to qualify for personal financial products such as loans, credit, and insurance. During the month of May 2019, the Company continued to discuss with its team and developers possible ways to use and improve the first iteration of the Company's platform. The first iteration of the platform was released and made available to the public prior to the Issuer becoming a reporting issuer and listing on the Exchange.

2. Provide a general overview and discussion of the activities of management.

**The Issuer held its first directors and officers meeting in mid-April 2019 prior to listing on the Exchange to deal with administrative matters. During May 2019, the Company's management continued to explore possible marketing and development strategies for the Company's technology and business.**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**None.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**The Company entered into a letter of intent with CHP Capital Inc. ("CHI") on May 31, 2019 (the "LOI"). Under the LOI, CHI agrees to grant the Company a revolving line of credit up to a maximum of the lesser of \$526,000.00 and the amount permitted by applicable policies regarding related party transactions (the "LOC"). The LOC will accrue interest at a rate of 8.5% per annum calculated monthly on any amounts borrowed and owed by the Company. The Company will grant CHI a general security interest over the Company's assets as security for the LOC. The parties have agreed to enter into a definitive agreement regarding the LOC by June 21, 2019.**

Management of the Company believes that the replacement of the Notes with the LOC will be more cost effective because it will no longer incur interest on funds it does not immediately require and as such the LOC will provide more flexible access to such funds if the Company should need it in the future.

CHI and the Issuer have certain common insiders. As such, the LOC is a related party transaction as defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). No formal valuation is required under section 5.4(1) of MI 61-101 for this transaction. The Company has relied upon the exemption from the minority approval requirement of MI 61-101 contained in section 5.7(1)(f) of MI 61-101. The management of the Issuer, after discussion, decided that the LOC is on reasonable commercial terms that are not less advantageous to the Company than a line of credit obtained from an arm’s length party under materially similar circumstances. No part of the LOC is directly or indirectly convertible into, or repayable by the issuance of, securities of the Issuer.

The Issuer did not file a material change report 21 days prior to the effective date of the LOI and the deadline for the LOC definitive agreement because the details of the LOI and the LOC had not been confirmed at that time.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer’s affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer’s assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**None.**

8. Describe the acquisition of new customers or loss of customers.

**None.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**None.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**None.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**On May 31, 2019 the Company gave notice to the holders of the promissory notes it issued on March 15, 2019 (the "Notes") that the Company intends to repay the Notes in full on June 03, 2019. The Notes accrued interest at 8% per annum on a total principal amount of \$526,000.00. The term of the Notes was 24 months from the date of issue. The Company has the right to repay the Notes at any time during their term without penalty. Upon repayment, the Company will have paid a total of \$9,319.09 in interest on the Notes. The general security interest over the assets of the Company that was granted to the holders of the Notes will be removed as soon as practicable after the repayment of the Notes.**

**The Company entered into a letter of intent for a line of credit with a related party. See item 5 above for details.**

14. Provide details of any securities issued and options or warrants granted.

**None.**

15. Provide details of any changes in directors, officers or committee members.

**None.**

16. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**The Issuer is still subject to the risk factors disclosed in its Listing Statement dated April 11, 2019 and filed with the Exchange on May 3, 2019.**

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated **June 05, 2019**.

**Dean Linden**-----  
Name of Director or Senior  
Officer



Signature  
**Chief Executive Officer**  
Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer	For Month End	Date of Report YY/MM/D
<b>Luxxfolio Holdings Inc.</b>	<b>May 2019</b>	<b>19/06/05</b>
Issuer Address		
<b>212, 1080 Mainland St., Canada</b>		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
<b>Vancouver / BC / V6B 2T4</b>	( )	<b>(888) 928-8883</b>
Contact Name	Contact Position	Contact Telephone No.
<b>Dean Linden</b>	<b>CEO</b>	<b>(604) 398-3837</b>
Contact Email Address	Web Site Address	
<b><a href="mailto:dlinden@luxxfolio.com">dlinden@luxxfolio.com</a></b>	<b>www.luxxfolio.com</b>	