

LUXXFOLIO HOLDINGS INC.

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NEWS RELEASE

Luxxfolio to Repay Promissory Notes and Enter into a Line of Credit

VANCOUVER, BC – June 03, 2019 – Luxxfolio Holdings Inc. (“Luxxfolio” or the “Company”) is pleased to announce that on June 3, 2019, its wholly owned subsidiary, Luxxfolio Networks Inc. (“LNI”) repaid in full the promissory notes that LNI issued on March 15, 2019 (the “Notes”). 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. LNI had the right to repay the Notes at any time during their term without penalty. Upon repayment, LNI had paid a total of \$9,319.09 in interest on the Notes. The general security interest over the assets of LNI that was granted to the holders of the Notes will be removed as soon as practicable.

LNI entered into a letter of intent with CHP Capital Inc. (“CHI”) on May 31, 2019 (the “LOI”). Under the LOI, CHI agrees to grant LNI 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 LNI. LNI will grant CHI a general security interest over LNI’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 LNI 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 LNI should need it in the future.

CHI, LNI, and the Company have certain common directors, officers, and or 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 Company and LNI, after discussion, decided that the LOC is on reasonable commercial terms that are not less advantageous to LNI 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 LNI or the Company.

The Company 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.

About Luxxfolio

Luxxfolio is a forward-thinking financial technology company that, through LNI, is developing a blockchain based platform, powered by proprietary technology, to enable users to record the authenticity and provenance of luxury items, collectibles, and other non-traditional assets allowing them access to personal financial products that may not otherwise be available to them. The first iteration of the platform, a minimum viable product, is available for use by the public via the Company’s mobile application which can be downloaded from the Apple App Store and the Google Play Store.

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The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Certain information contained herein may constitute "forward-looking information" under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, "will be", "expected", "vision" or variations of such words and phrases or statements that certain actions, events or results "will" occur. Forward-looking statements regarding the LNI's need for funds, the effectiveness of replacing the promissory notes with a line of credit, the Company's development of its blockchain based platform and the availability of a material change report on SEDAR are based on the Company's estimates and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Luxxfolio to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including capital expenditures and other costs. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Luxxfolio will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.