

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

July 29, 2019

3. News Release

The Company disseminated a news release in respect of the material change on July 30, 2019 via Baystreet and Stockwatch news wire services. The news release was filed on SEDAR on July 30, 2019.

4. Summary of Material Change

The Company’s wholly owned subsidiary, LUXXFOLIO Network Inc. (“LNI”), entered into a Line of Credit and Security Agreement.

5.1 Full Description of Material Change

On July 29, 2019, LNI entered into a definitive Line of Credit and Security Agreement (the “Agreement”) with CHP Capital Inc. (“CHI”). The effective date of the Agreement is July 29, 2019. Under the Agreement, CHI has provided LNI with a revolving line of credit up to a maximum \$500,000.00 (the “LOC”). The maximum LNI can draw from the LOC in any one month is \$50,000.00. Proceeds from the LOC may be used by LNI for research and development and any other purpose preapproved by CHI. The LOC accrues interest at a rate of 9.0% per annum calculated monthly on any amounts borrowed and owed by LNI. The LOC’s maturity date is July 29, 2021 at which time all amounts owing under the LOC become due and payable. The LOC may also become due and payable upon a change in control in the shareholdings or management, including the make-up of the board of directors, of LNI. LNI granted CHI a general security interest over the assets of LNI as security for the LOC.

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 Agreement because it previously filed a material change report dated June 03, 2019 disclosing LNI's intent to enter into the Agreement and obtain the LOC.

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

July 30, 2019