

LUXXFOLIO HOLDINGS INC.

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NEWS RELEASE

LUXXFOLIO Holdings Inc. enters into a Non-Binding Term Sheet with Ocean Falls Blockchain Corp. and Closes the Fifth Tranche of its Private Placement

VANCOUVER, BC – November 24, 2020 – LUXXFOLIO Holdings Inc. (the “Company”) (CSE: LUXX) is pleased to announce that it has entered into a non-binding term sheet (the “Term Sheet”) with Ocean Falls Blockchain Corp. (“Ocean Falls”) to acquire a 100% interest in Ocean Falls (the “Transaction”). Ocean Falls is a blockchain cryptocurrency mining operator. The Transaction is currently contemplated to proceed by way of the Company purchasing all the issued and outstanding shares in the capital of Ocean Falls. The purchase price is anticipated to be approximately \$695,000 which will be paid for by the issuance of shares in the capital of the Company. The Transaction is not expected to result in a change of business nor change of control. The final structure of the Transaction will be determined by the Company and Ocean Falls after considering such matters as due diligence findings, tax consequences, accounting treatment, and legal and regulatory requirements.

The closing of the Transaction is subject to the negotiation and execution of definitive documentation, the satisfactory completion of due diligence, the receipt of all required consents and approvals, a minimum raise of \$100,000 by the Company via a common share offering, the purchase or lease of certain crypto server equipment, and other conditions that are typical for a transaction of this nature. Assuming all conditions to closing are satisfied, the Transaction is expected to be completed by January 8, 2021.

Closing of Fifth Tranche

The Company completed the fifth tranche of its previously announced non-brokered private placement of up to 8 million Special Warrants at a price of C\$0.05 per Special Warrant (the “Offering”)

The tranche consisted of 200,000 Special Warrants for aggregate gross proceeds of \$10,000. Each Special Warrant will be non-transferrable and will entitle the holder to automatically receive, without payment of additional consideration one common share in the capital of the Company on the earlier of:

- 5 business days after the holder elects to convert all of their Special Warrants; and
- The day the Company has cumulatively raised \$500,000 via equity financings after the close of the Offering; and
- The day that is three years after the date of the close of the Offering.

The holder of the Special Warrant will have limited voting rights on certain corporate matters including share consolidations and election of directors. The Company may also seek the approval of the Special Warrant holders for private placements or public offerings for the sale of equity securities of its own issuance after the close of the Offering (“Future Offerings”).

Subject to any Special Warrants remaining outstanding during the three-year term, the Company will only undertake a Future Offering if:

- a.) The offering price of the equity security (the “Future Offering Price”) is greater than \$0.055 within the first 18-month period following the close of the Offering; or
- b.) The Future Offering Price is greater than \$0.0575 after the 18-month period immediately following the close of the Offering; or
- c.) The Future Offering is approved by a majority vote of the Special Warrant holders.

Any Future Offering Price will be adjusted to account for any share consolidation, stock split, recapitalization, and the like that occurs after the close of the Offering.

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. Completion of the Offering is subject to the receipt of all regulatory approvals, including the approval of the Canadian Securities Exchange.

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 Term Sheet, 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.

About LUXXFOLIO

The Company’s focus is the development of its subsidiary’s permissioned based distributed ledger platform to enable an organization or individual to authenticate, secure, and track via a highly secure verifiable ledger their digital based assets, contracts and documents, physical based assets such as luxury or collector goods, and other unique products (“Uniquely Identified Assets”). The platform aims to provide a secure and reliable place to authenticate and track Uniquely Identified Assets and provide the ability to monetize or securitize these assets.

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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”, “anticipated”, “expected”, “vision”, or variations of such words and phrases or statements that certain actions, events, or results “will” occur. Forward-looking statements regarding the Strategic Review and related opportunities, the Offering, and the Company’s development of its permissioned based distributed ledger platform 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 the Company and its subsidiary 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. The Company will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.