



LUXXFOLIO HOLDINGS INC.

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NEWS RELEASE

Luxxfolio Announces Cryptocurrency Proof-of-Stake Strategy and Financing

VANCOUVER, BC – November 28, 2024 - LUXXFOLIO Holdings Inc. (the “**Company**” or “**Luxxfolio**”) (CSE: LXXX) is pleased to announce that the Board of Directors has approved plans to initiate a cryptocurrency proof-of-stake (**PoS**) strategy, to offer shareholders a diversified, pure-play, rolling portfolio of initially the top proof-of-stake cryptocurrencies by market capitalization, provided that they trade on regulated cryptocurrency exchanges and are audit-able.

According to [Business Insider](#)¹, some of the largest and fastest growing cryptocurrencies have implemented PoS protocols. PoS, when compared to proof-of-work mining, is considered more energy efficient and scalable. Currently, some of the top proof-of-stake coins by market cap are Ethereum, Solana, BnB, Cardano and Avalanche ([forbes.com](#)²)

The Strategy

The Company’s initial intent is to exploit bitcoin’s historical four-year cycle by buying the top proof-of-stake coins towards the beginning of the uptrend of the cycle and selling them towards the end of the uptrend (the first three years of the cycle). In addition, the Company intends to hedge and profit from bitcoin’s downtrend (the last year of the cycle). Luxxfolio also plans to increase the value of its staking revenue by participating in yield generating decentralized finance (DeFi) opportunities and allocating certain cash flow to bitcoin as part of a treasury strategy to support long-term growth and resilience³. The Company’s current goal for the strategy is to help grow shareholder value throughout the bitcoin cycle. This strategy will evolve as market conditions change.

Financing

As part of its crypto centric strategic plan, Luxxfolio is also pleased to announce its intention to undertake a non-brokered private placement offering of units at a per unit price determined in accordance with the Exchange’s policies for maximum gross proceeds of \$1 million (the **Financing**). Each unit will have one common share of the Company and one share purchase warrant. Each warrant will be exercisable into one common share of Luxxfolio for a period 18

¹ <https://www.businessinsider.com/personal-finance/investing/proof-of-stake#benefits-of-pos>

² <https://www.forbes.com/digital-assets/categories/proof-of-stake-pos/?sh=2e4058026f7d>

³ Participating in yield-generating DeFi platforms come with risks, including smart contract vulnerabilities, liquidity issues, and regulatory uncertainties that are distinctly different from the risks of staking.



months at an exercise price per common share determined in accordance with the Exchange's policies. The Company intends to use the proceeds from the Financing to execute the proof-of-stake mining strategy described and for corporate administration. Luxxfolio expects to announce more details of the Financing soon.

Luxxfolio's interim CEO, Geoff McCord, commented: "We are excited to execute this baseline strategy as a start to a new growth phase in the Company's history, further integrating into the cryptocurrency and decentralized network revolution, still in its infancy. This may also enable us to use the Company's over C\$14 million in long-life tax-loss carry forwards, effectively maximizing the Company's after-tax return to shareholders."

About Luxxfolio

Luxxfolio Holdings Inc. is a publicly traded digital asset company based in Canada. It previously operated an industrial-scale cryptocurrency mining facility in the United States. As disclosed in the Company's public record, Luxxfolio closed its mining operations due to the then downturn in the cryptocurrency markets and, over the last couple of years, has actively been engaged in determining a reasonable path forward for shareholders by restructuring the Company's finances and pursuing financing discussions, new business opportunities, and M&A possibilities. Luxxfolio intends to remain in the digital asset business and evolve its operations to PoS and participate in DeFi and Bitcoin to provide a liquid alternative for exposure to digital assets in the broader capital markets.

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

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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.