



LUXFOLIO



Disclaimer and Forward Looking Statement

This is background information about LUXFOLIO's activities and strategy current as of the date of the deck. This information is given in summary form and does not purport to be complete. It is based on information that is already in the public domain including information from third-party sources. While the company believes the information from the third-party sources to be reasonable, the company cannot guarantee its accuracy. Readers should verify such information for themselves. LUXFOLIO's public record should be consulted for a more complete understanding of the company's status. **Nothing in this deck should be considered an invitation, advice, or a recommendation to investors or potential investors to hold, purchase, or sell securities.** Before acting on any information, you should consider your particular situation and seek independent financial advice from a qualified registered professional.

Certain information contained herein may constitute "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as, "will", "anticipated", "if", "projected", or variations of such words and phrases or statements that certain actions, events, or results "will" occur. Forward-looking statements regarding the company's strategy or position 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 to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. 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 contained herein, except as required by applicable securities laws.

The logo for LUXFOLIO, with 'LUX' in white and 'FOLIO' in white, separated by a stylized 'X' made of two gold-colored lines. The background of the slide features a blurred image of server racks with blue and purple lights, and a large, detailed image of a gold Bitcoin coin in the bottom left corner.

LUXFOLIO

Company Overview

- **LUXFOLIO** is a vertically integrated digital asset company that operates an industrial scale crypto currency mining operation in the United States.
- Backed by NYDIG who provides an end to end bitcoin solution to some of the largest insurance and financial service companies in North America. 
- Our purpose is to participate in the decentralized financial system built around the sovereign individual.
- The two main verticals are:
 - LUXX Crypto Mining Division
 - Digital Asset & Analytics Division

LUXFOLIO



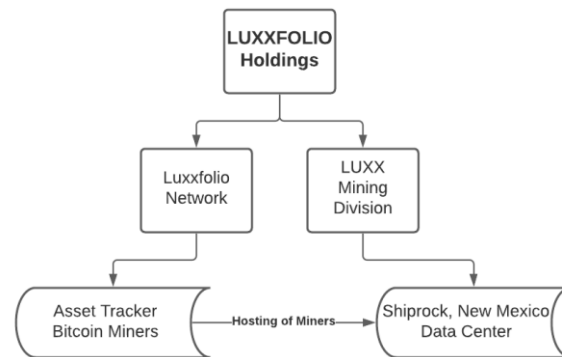
Highlights

- **May 2019** – LUXX lists under the CSE in Canada (Non-Offering Prospectus) with primary solution being a blockchain tracker of real world assets (RWA);
- **Dec. 2020** - LUXX places order for 590 Avalon 1246 miners (90 TH/s);
- **May 2021** – LUXX places order for 2400 Bitmain S19J Pro miners (100 TH/s);
- **June 2021** – LUXX completes purchase of WestBlock (LUXX Mining Division), a state-of-the-art industrial crypto mining facility that has maximum capacity of 15MW of power availability, which includes partnership with Navajo Utility Corp. (since Jan. 2020);
- **July 2021** – LUXX receives and installs first delivery of 590 Avalon miners;
- **Aug. 2021** – LUXX benefits from price protection on Bitmain miner order and uses credit to purchase an additional 100 Bitmain S19J Pro miners.
- **Aug. 2021** – LUXX announces expansion of mining facility from 8MW to 15MW.
- **Sept. 2021** – LUXX diversifies into Ethereum with acquisition of Ethereum miner;
- **Sept. 2021** – LUXX enters into swap agreement resulting in early delivery of 675 Bitmain S19J Pro miners.
- **Oct. 2021** – LUXX places order for 500 Bitmain S19J Pro miners (100 TH/s)

Business

LUXX Mining Division

- LUXX Mining division, a wholly owned subsidiary, is an industrial scale crypto mining and custodian/hosting operation.
- LUXX Mining Division will act as custodian and operator for Company owned and third-party crypto miners.



Digital Asset and Analytics Division

- The Company earns revenues from proof of work mining, staking, lending, Real World Asset (RWA) securitizations, and financial engineering utilizing bitcoin, Ethereum, stable coins and other crypto assets.
- Luxxfolio Network continues to develop the SmartLuxx platform that will greatly improve operational efficiency through automation, analytics, and machine learning;
- Provide end-to-end traceability into all aspects of the mining process through a crypto mining data stack.

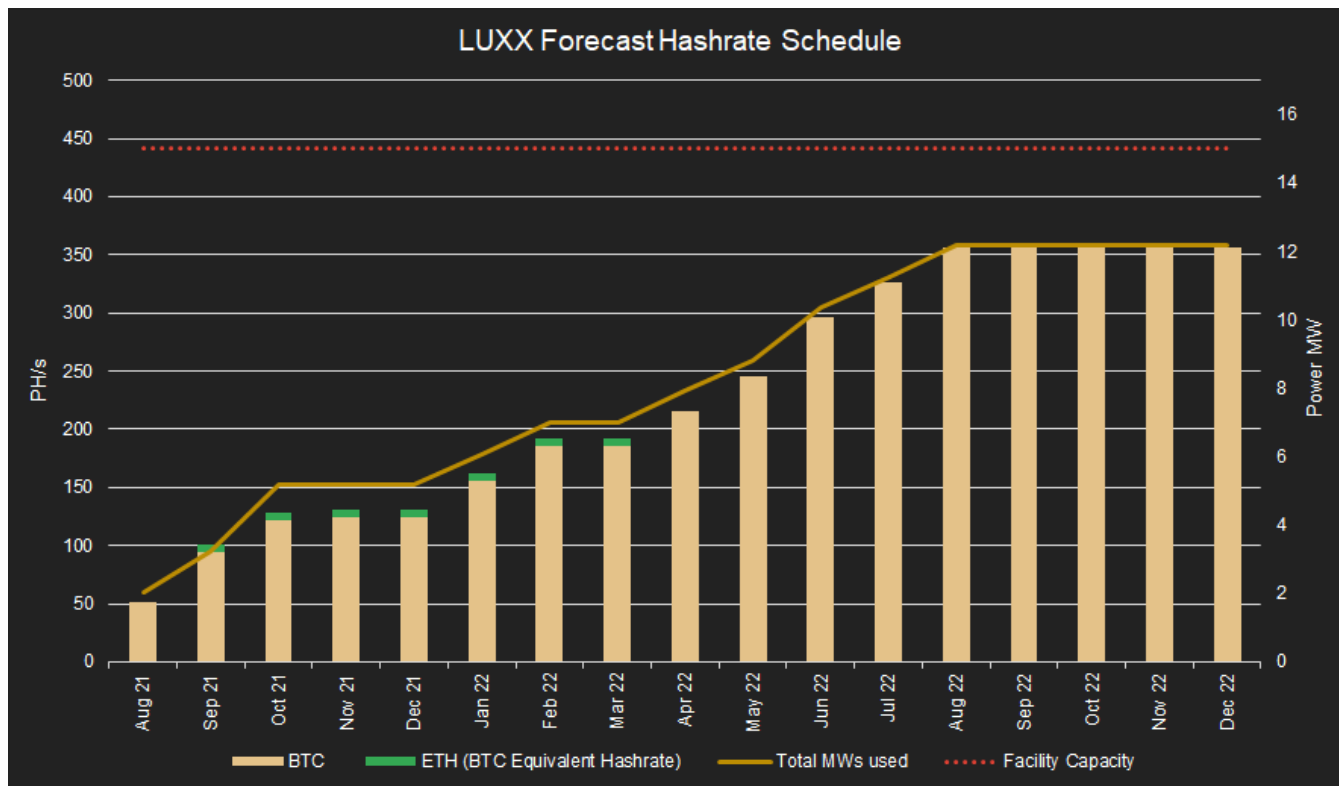
Hash Rate Growth

- LUXXFOLIO began its active crypto mining operation in July 2021 with our New Mexico facility wired for 8MW capacity expanding to 15MW in the new year (**max capacity of ~445 PH/s**) ;
- As at the end of Oct/21, we were running 1,309 Bitcoin miners at hash rate of **124 PH/s** (Aug. 31/21: 50 PH/s) with **33.91 Bitcoin in reserve (Sept. 30)**;
- Another 56 miners being installed which will bring us to **~130 PH/s**;
- Based on the current level of difficulty, it is estimated that its averaged self mined bitcoin will grow from **14 Bitcoins per month to 22-24 Bitcoins per month** beginning October 1st;
- An additional 2,225 scheduled miners between Dec. 2021 and July 2022 with a target of **360 PH/s**;
- Recently added Ethereum mining, which will produce at approximately 25 Ether per month (6 PH/s BTC Equivalent Hash Rate).



Increased Capacity

Current expansion will add another 7MW of power availability, which will increase the potential capacity to in excess of 445 PH/s based on current mining technology and availability



Projections

- \$50K BTC Price (beginning)
- 0.5% BTC monthly price increase
- 3.0% monthly Difficulty increase
- 10% initial Difficulty increase

Contribution Margin					
All funds are in USD					
	2021	2022	2023	Q1 2024	Total
Total Revenues	5,320,332.19	25,401,544.85	22,778,697.00	4,720,210.87	58,220,784.92
Electricity/Direct Costs	-859,150.43	-3,859,871.67	-4,477,988.95	-1,119,497.24	-10,316,508.28
Overhead Expenses	-150,000.00	-300,000.00	-300,000.00	-75,000.00	-825,000.00
Total Operating Costs	-1,009,150.43	-4,159,871.67	-4,777,988.95	-1,194,497.24	-11,141,508.28
Contribution Margin	4,311,181.76	21,241,673.18	18,000,708.06	3,525,713.64	47,079,276.63
Contribution %	81.03%	83.62%	79.02%	74.69%	80.86%
Operating & Market Assumptions					
MW Deployed	5.98	11.17	11.17	11.17	
Hashrate (SHA-256, PH/s)	150.93	350.93	350.93	350.93	
BTC Price	51,776	54,970	58,360	59,240	
Difficulty	2.25388E+13	3.2135E+13	4.58168E+13	5.00652E+13	
Assumptions					
Beginning BTC Price	\$ 50,000.00				
BTC Monthly Price Increase	0.50%				
Beginning Difficulty (billions)	1.9893E+13				
Initial Difficulty Increase	10%				
Difficulty Monthly Increase	3.00%				

Why LUXX

1

**Established
Mining &
Management
Expertise**

2

**Attractive
Valuation
Relative to
Alternatives**

3

**Acquisition
Opportunities
Can Create
Multiples of
Initial Value**

4

**Capacity for
Growth on
Owned &
Controlled
Infrastructure**

5

**Network of
Relationships to
Drive
Aggressive
Acquisition
Strategy**



Established Mining & Management Expertise

Jason Cihelka, P.Eng Director of Engineering

Jason is a software engineer with extensive experience in software design, architecture, and development. He has demonstrated expertise in leading the full lifecycle of enterprise-scale automation and SAAS product development from idea, through design, into implementation. Since beginning in blockchain industry in 2017, he has worked on cryptocurrency mining operations, along with public and permissioned blockchain smart contract development for a multitude of use cases. Jason has a B.Sc in Electrical and Computer Engineering from the University of Calgary, and is a registered Professional Engineer with APEGA.

Dean Linden – CEO

Dean has over 26 years experience in guiding growth oriented companies in the public markets. He has been an early stage shareholder and important visionary in the development of these successful companies: ID Biomedical (sold for \$1.7B), CRH Medical (sold for \$473M), and Falco Resources (in progress). As well, guiding the build out of Cypress Hills Partners, a leading alternative lending firm out of Vancouver.

Ken MacLean, MBA President of LUXX Mining Division

Ken began working in the technology world with positions at IBM, Sun Microsystems and Digital. He participated in the tech build out through the dotcom boom and built and sold a successful technology company. He has been an integral part of financing and building organizations across multiple industries including real estate, retail, heavy industry, and technology. He has a MBA from the University of Calgary with a focus on new venture finance and technology. Active in crypto markets since 2017.

Geoffrey McCord, CPA, CA – CFO

Geoff McCord's professional career spans 33 years as a senior financial and operations level executive for several financial organizations, including 11 years at Connor, Clark and Co., a Toronto based investment dealer where Geoff served as Chief Financial Officer and Director of Operations. At IPC Financial Network Inc., he served in a number of roles including Executive Vice-President and Chief Operating Officer, as well as President of IPC Securities Corporation, IPC's IROC dealer.

Kien Tran, MBA COO of LUXX Mining Division

Kien founded Westblock Capital in 2017 as an integrated digital asset company where he built and operated an industrial scale mining facility. He has developed an extensive network of relationships in the cryptocurrency industry. Prior to Westblock, Kien spent 15 years in Capital Markets as Head of Commodity Sales in New York, Toronto, and Calgary with Barclays and Scotia. He has a MBA from the University of Chicago and a Bachelor of Commerce from the University of Calgary.



Established Mining & Management Expertise

David Gens, B.Comm – Director

David Gens is a financial services entrepreneur/investor and is the founder, Chairman, President & CEO of Merchant Growth and Merchant Opportunities Fund. He has successfully built one of Canada's largest fintech lending platforms using automation and AI, which are key technologies to be harnessed by LUXXFOLIO in our crypto mining management solutions and smart contracts.

Kelly Klatik, MBA, ICD.D – Chairman

Kelly Klatik has over 27 years of experience in the investment banking/management and alternative asset sectors. He was born and raised in Saskatchewan, Canada and is a Managing Partner at Cypress Hills Partners, an alternative specialty lending firm, which he co-founded in 2014. Prior to this, he was a co-founder of TSX-V listed Falco Resources, a natural resource data mining play which harvested a 100 year old data set resulting in the largest digital mining discovery in Canada (10M oz Au Eq).

Dr. Michael J. Byron, Ph.D – Director

Dr. Byron currently sits on the board of five publicly-traded companies and has had executive roles in several others, bringing to LUXXFOLIO over 30 years of domestic and international experience, taking and managing companies from early stage to public listing.

Brad Farquhar, MPA – Director

Brad Farquhar is Co-Founder, Executive Vice President and Chief Financial Officer of Input Capital Corp. Input is the world's first agriculture commodity streaming company and is publicly traded on the TSX Venture Exchange. Previously, Brad was a founding partner at Assiniboia Capital Corp. and co-founded Assiniboia Farmland Limited Partnership, the oldest and largest farmland investment fund in Canada. The company was sold to the Canada Pension Plan Investment Board in 2014 for \$128 million.

Anthony Wong, LL.B – Director

Anthony has over 25 years of experience in the corporate finance and communications industry. His diverse skill set uniquely positions him to understand and work with a variety of businesses and ventures from law to technology to digital media. Anthony earned his law degree from the University of British Columbia. His corporate affairs experience in both the private and public sectors bring tremendous value to LUXXFOLIO.

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Attractive Valuation Relative to Alternatives

The pre-money enterprise valuation is **\$160k per PH/s of capacity** compared to peers, which are trading on average of **\$370k per PH/s of capacity**, indicating strong upside potential.

Companies	MW	Announce		Price	EV (millions)	EV/MW	EV/Future	
		Current Hashrate (PH/s)	Future Hashrate (PH/s)				EV/PH/s (millions)	PH/s (millions)
Hive	51	1655	3,854	\$3.97	\$2,292	\$44.9	\$1.4	\$0.59
Hut 8	104	1448	6,078	\$12.35	\$2,901	\$27.9	\$2.0	\$0.48
Bitfarms	69	1530	8,000	\$5.81	\$1,520	\$22.0	\$1.0	\$0.19
CleanSpark Inc	N/A	888	3,200	\$17.66	\$593	N/A	\$0.7	\$0.19
The9 Ltd	N/A	693	3,558	\$11.57	\$694	N/A	\$1.0	\$0.19
Riot Blockchain Corp	73	2600	7,700	\$31.44	\$3,662	\$50.2	\$1.4	\$0.48
Marathon Patent Group	105	2700	13,370	\$53.07	\$6,278	\$59.8	\$2.3	\$0.47
Average		1,645	6,537			\$41.0	\$1.4	\$0.37
Luxxfolio	15	124	360	\$1.03	\$58	\$3.87	\$0.47	\$0.16

LUXX Mining Division is currently operating 8MW & planning 7MW expansion in early 2022 with production capacity that is projected to be in excess of 400 PH/s.

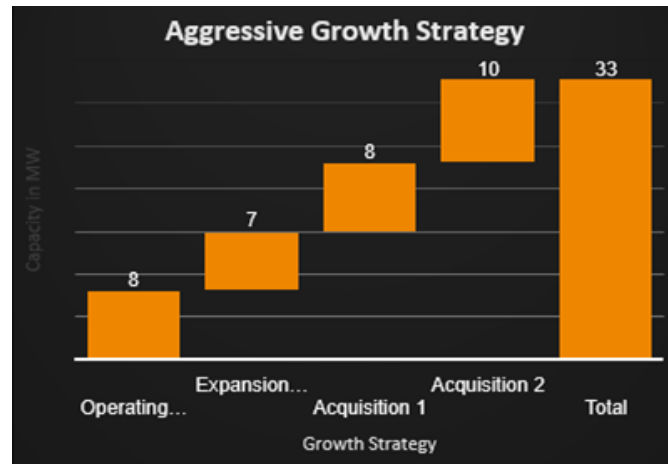
Upside opportunity is significant as we scale

3

Acquisition
Opportunities
Can Create
Multiples of
Initial Value

Aggressive Growth Strategy Could Lead to Multiple Expansion

- Currently, our current operation is built for 8MW of capacity with an announced expansion to 15MW.
- Our short term goal is to expand our power partnerships to grow to in excess of 33MW;



- Small Cap Valuation metrics **\$3.8mln /MW** (LUXX current valuation based on 15MW);
- Large Cap miners are trading at closer to **41mln/MW** – 11X Multiple expansion
- Our goal is to achieve multiple expansion as we grow our capacity;
- Illustration: 33 MW @ **\$3.8mln /MW** = \$125 mln ➡ 33 MW @ **\$41 mln /MW** = \$1.35 bln



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Capacity for Growth on Owned & Controlled Infrastructure

- LUXXFOLIO's Vision is to expand its mining operation and offer investors low-cost exposure to crypto currency mining & other crypto related revenue streams.
- 15 MW Capacity in New Mexico, with 8 MW currently mining and hosting.
- Inexpensive & Flexible Power
 - Exclusive Partnership with the Navajo Tribal Utility Authority (NTUA), New Mexico.
 - Low Cost Power being in the lowest Decile Power Price.
- Approximately 59% of power generation is renewable energy compared to the US utility average of 20% renewables.



15 MW Capacity in New Mexico

- Custom built mining buildings.
- 1.5 acres of land adjacent to power substation.
- Fiber optic internet service.
- High elevation, cooler climate with very little humidity.
- Actively mining since 2019, with significant technical & operating experience.



LUXFOLIO

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**Network of
Relationships
to Drive
Aggressive
Acquisition
Strategies**

- Strong partnership with **NYDIG** out of New York, a leading finance and technology provider that acts as a custodian and lender to the Bitcoin ecosystem and a subsidiary of Stone Ridge, a \$10 billion alternative asset manager.
- **Cypress Hills Partners** acts as a strategic shareholder and financier whose primary strategy is lending against receivables, cashflows and other types of equipment.
- Industry relationships built over last 5 years as active participants in crypto mining space.





Capital Structure

CSE: **LUXX** OTCQB: **LUXFF** FRANKFURT: **LUH**

	Share O/S
Shares Outstanding	59,707,227
Stock Options	3,310,000
Share Purchase Warrants	11,755,944
Market Capitalization	\$33,402,447



FOR MORE INFORMATION

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APPENDIX



Overview of Bitcoin (BTC) Mining:

- Bitcoin mining refers to the act of participating in the BTC blockchain network by solving complex mathematical equations (referred to as “mining blocks”).
 - The purpose of solving equations is to validate transactions on the blockchain, which is the reason that the blockchain is secure. The mining machines are specifically made to attempt to solve these mathematical equations in the least amount of time possible.
- The number of equations performed to solve the equations is defined as a **hash rate**.
 - The more hash rates a blockchain has, the more secure it is, but also the more difficult solving the equation becomes (known as difficulty).
- In exchange for mining blocks, thereby validating data submitted to the chain, the miners receive a transaction fee and BTCs as a reward.
 - The first miner to solve the equation receives the reward. The blockchain is configured to pay a reward every 10 minutes.
- Mining blocks takes a tremendous amount of power. The more hash rates generated, the more power required.
 - Hash rate is typically calculated by tera hashes per second (TH/s) or peta hash per second (PH/s).
- **The primary factors in BTC mining are as follows; equipment used, difficulty level, power source and price, rewards received, and BTC price.**



Current Miners

- Evolution of BTC mining equipment - Initially using basic CPUs and began using the current technology of ASIC circuits in 2013.
- ASIC circuits began at a 130 nanometer (nm) chip size and have decreased in size since 2013, with current chip size of 7nm.
- The smaller the chip size, the more efficient the machine, as they are able to produce additional hash rates at lower energy requirements.
- Equipment purchased - **590 Canaan Avalon 1246 miners** with 90 TH/s & **2400 Bitmain S19j Pro miners** with 100 TH/s.
- To put in perspective, the TH/s of the existing machines are 13 TH/s, meaning these Canaan Avalon and Bitmain S19j machines are extremely more efficient and projected to deploy over 2.5x more hash rates per month on the same power used.

Bitcoin/Crypto: Rapidly Evolving Investment Class

*Bitcoin, Crypto & Digital Currencies, Morgan Stanley, February 10, 2021

"JP Morgan CEO Jamie Dimon says bitcoin is a 'fraud' that will eventually blow up. It's worse than tulip bulbs. It won't end well. Someone is going to get killed."

September 17, 2017

"JP Morgan Predicts Bitcoin Price Could Rise Over \$146K in Long Term."

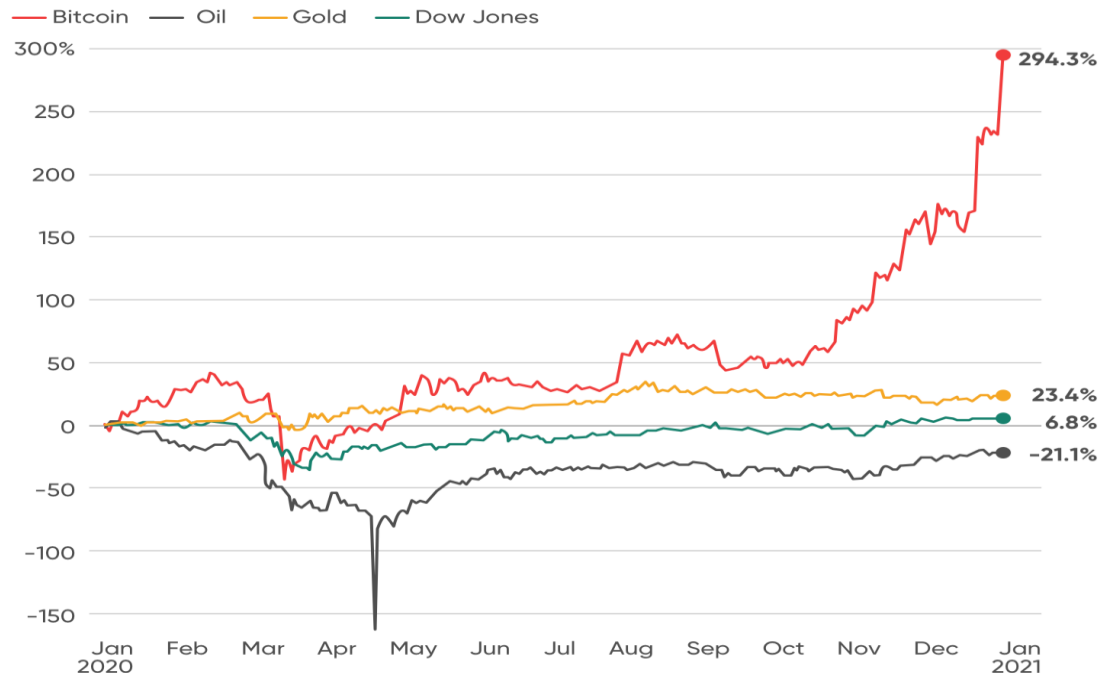
January 5, 2021

New Institutional Investment Class	2017	Present
Hedge against CB Monetary Policy / Government Collapse	2018	Present
Store of Value	2017	2018
New Fundraising & Capital Allocation Mechanisms	2015	2018
Replacement Payment System	2010	2017
Incumbent Financial System Antidote	2010	2017
Digital Cash – Untraceable but Full Confidence	2009	2016

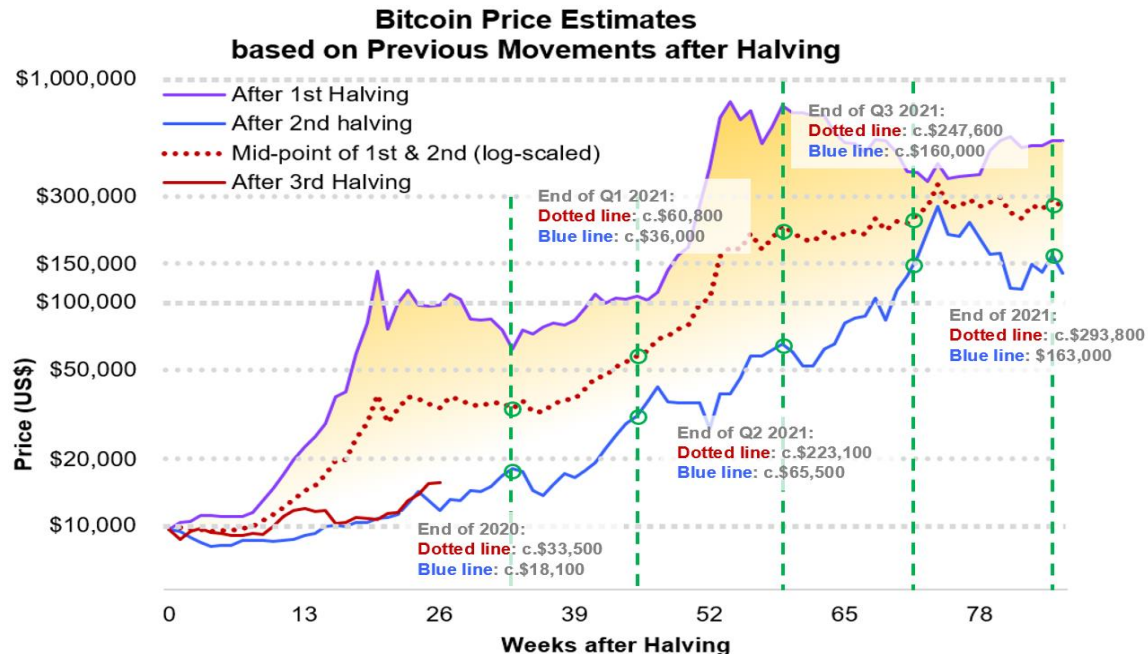


BTC as an Inflationary Hedge

- Bitcoin is increasingly becoming the inflationary hedge of choice replacing Gold for Institutional Investors.
- Citibank's analyst Tom Fitzpatrick calls Bitcoin the "21st Century Gold" with projections up to \$318,000
- Some analysts believe that recent gains are just the beginning.



Halving reduces supply leading to significant upside in BTC price.



SOURCE: <https://coinmarketcap.com/alexandria/article/what-price-will-bitcoin-reach-this-time>