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**LXRandCO ANNOUNCES CLOSING OF \$7.5 MILLION FINANCING OF DIGITAL-FIRST
OMNI-CHANNEL PLAN VIA BROKERED PRIVATE PLACEMENT OF UNITS**

Montreal, December 23, 2020 – LXRandCo, Inc. (“**LXR**” or the “**Company**”) (TSX: LXR, LXR.WT), an omni-channel retailer of branded vintage luxury handbags and accessories, is pleased to announce the closing of the brokered private placement of units previously announced on December 7, 2020 (the “**Private Placement**”), whereby the Company raised gross proceeds of \$7.5 million through the sale of 60,000,000 units, with each unit consisting of one Class B share in the capital of the Company (the “**Share(s)**”) and a one-quarter of one Share purchase warrant (the “**Warrant**”) (the “**Units**”), in the capital of the Company at a price of \$0.125 per Unit (the “**Unit Price**”). Each whole Warrant entitles the holder to purchase one additional Share at a price of \$0.175 (the “**Exercise Price**”) for a period of 24 months following the closing of the Private Placement. The Warrants are subject to an accelerated expiry if, following the date that is four months and one day after the date of issuance of the Units and prior to the expiry date of the Warrants, the daily volume weighted average trading price of the Shares exceeds \$0.35 for ten consecutive trading days. The Unit Price and the Exercise Price represent a 7.04% discount and 30.14% premium, respectively, to the market price of the Shares (based on the five-day VWAP of the Shares for the five trading days ended December 4, 2020).

Cormark Securities Inc., acted as lead agent in the Private Placement on behalf of a syndicate of agents (the “**Agents**”). In consideration of their services in connection with the Private Placement, the Company paid the Agents, a cash fee (the “**Agency Fee**”) of 6.0% of the gross proceeds realized by the Company in respect of the sale of the Units, excluding the gross proceeds received from the sale of the Units to Gibraltar & Company, Inc., as well as Luigi Fraquelli, Valerie Sorbie, Camillo di Prata, Eric Graveline and Javier San Juan (collectively, the “**Insider Participants**”). The Agency Fee paid on the gross proceeds from Gibraltar & Company, Inc. and the Insider Participants was 3.0%. In addition to the Agency Fee, the Company also issued to the Agents 2,414,400 broker warrants of the Company (the “**Broker Warrants**”), which will expire 24 months from the Closing Date, to purchase 2,414,400 additional Units at the Unit Price. The number of Units purchasable through the exercise of the Broker Warrants is equal to 6.0% of the number of Units sold in the Private Placement excluding the Units sold to Gibraltar & Company, Inc. and the Insider Participants.

Shareholder Approval

The Private Placement required the approval of the shareholders of the Company at a duly called meeting of shareholders pursuant to the TSX Company Manual since the TSX requires security holder approval be obtained for a private placement (i) for an aggregate number of listed securities issuable greater than 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of closing of the private placement if the price per security is less than the market price as set out in Section 607(g)(i) of the TSX Company Manual, (ii) that during any six-month period, are to insiders for listed securities or options, rights or other entitlements to listed securities greater than 10% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of closing of the first private placement to an insider during the six-month period set out in Section 607(g)(ii) of the TSX Company Manual and (iii) where warrants to purchase listed securities are issued to a placee at a warrant exercise price that is less than the market price of the underlying security at either the date of the binding agreement obligating the listed issuer to issue the warrants or some future date provided for in the binding agreement (as was the case in this Private Placement with respect to the Broker Warrants, given the exercise price thereof represents a discount to the market price of the Shares, but not with respect to the

Warrants, given the exercise price thereof represents a premium to the market price of the Shares) as set out in Section 607(i) of the TSX Company Manual.

With the permission of the TSX, the Company obtained shareholder approval for the completion of the Private Placement by way of written consents, representing a majority of the issued and outstanding Shares of those shareholders permitted to vote by the TSX, in lieu of a meeting pursuant to Section 604(d) of the TSX Company Manual. The TSX required that Gibraltar & Company, Inc. and its affiliates (collectively, “**Gibraltar**”) and the Insider Participants be excluded from the consent resolution in respect of the Private Placement. Accordingly, the Shares held by Gibraltar and the Insider Participants (representing an aggregate of approximately 14,402,215 Shares, or approximately 43.93% of the aggregate issued and outstanding Shares on a non-diluted basis as of the date hereof) were excluded from the aggregate total of the Company’s issued and outstanding Shares for the purposes of obtaining majority consent via the consent resolution.

Prior to the Private Placement, Gibraltar beneficially owned, controlled or directed, directly or indirectly, approximately 10,838,786 Shares, or approximately 33.06% of the aggregate issued and outstanding Shares on a non-diluted basis. Gibraltar acquired 8,000,000 Units under the Private Placement, representing approximately 13.33% of the 60,000,000 Units issued pursuant to the Private Placement. Upon closing of the Private Placement, Gibraltar beneficially owns, controls or directs, directly or indirectly, approximately 18,838,786 Shares and 2,000,000 Warrants, representing approximately 20.30% of the aggregate issued and outstanding Shares on a non-diluted basis and approximately 21.99% of the aggregate issued and outstanding Shares on a partially-diluted basis.

Prior to the Private Placement, Eric Graveline, a director of the Company, beneficially owned, controlled or directed, directly or indirectly, approximately 2,657,143 Shares, or approximately 8.11% of the aggregate issued and outstanding Shares on a non-diluted basis. Eric Graveline acquired 1,600,000 Units under the Private Placement, representing approximately 2.67% of the 60,000,000 Units issued pursuant to the Private Placement. Upon closing of the Private Placement, Eric Graveline beneficially owns, controls or directs, directly or indirectly, approximately 4,257,143 Shares and 400,000 Warrants, representing approximately 4.59% of the aggregate issued and outstanding Shares on a non-diluted basis and approximately 5.00% of the aggregate issued and outstanding Shares on a partially-diluted basis.

Prior to the Private Placement, Camillo di Prata, a director and the interim chief executive officer of the Company and an insider of Gibraltar, beneficially owned, controlled or directed, directly or indirectly, approximately 453,143 Shares, or approximately 1.38% of the aggregate issued and outstanding Shares on a non-diluted basis. Camillo di Prata acquired 6,600,000 Units under the Private Placement, representing approximately 11.00% of the 60,000,000 Units issued pursuant to the Private Placement. Upon closing of the Private Placement, Camillo di Prata beneficially owns, controls or directs, directly or indirectly, approximately 7,053,143 Shares and 1,650,000 Warrants, representing approximately 7.60% of the aggregate issued and outstanding Shares on a non-diluted basis and approximately 9.22% of the aggregate issued and outstanding Shares on a partially-diluted basis.

Prior to the Private Placement, Valerie Sorbie, a director and the chair of the Company and an insider of Gibraltar, beneficially owned, controlled or directed, directly or indirectly, approximately 453,143 Shares or approximately 1.38% of the aggregate issued and outstanding Shares on a non-diluted basis. Valerie Sorbie acquired 2,160,000 Units under the Private Placement, representing approximately 3.60% of the 60,000,000 Units issued pursuant to the Private Placement. Upon closing of the Private Placement, Valerie Sorbie beneficially owns, controls or directs, directly or indirectly, approximately 2,613,143 Shares and 540,000 Warrants, representing approximately 2.82% of the aggregate issued and outstanding Shares on a non-diluted basis and approximately 3.38% of the aggregate issued and outstanding Shares on a partially-diluted basis.

Prior to the Private Placement, Javier San Juan, a director of the Company, did not own, control or direct, directly or indirectly, any Shares of the Company. Javier San Juan acquired 1,200,000 Units under the Private Placement, representing approximately 2.00% of the 60,000,000 Units issued pursuant to the Private Placement. Upon closing of the Private Placement, Javier San Juan beneficially owns, controls or directs, directly or indirectly, approximately 1,200,000 Shares and 300,000 Warrants, representing

approximately 1.29% of the aggregate issued and outstanding Shares on a non-diluted basis and approximately 1.61% of the aggregate issued and outstanding Shares on a partially-diluted basis.

Prior to the Private Placement, Luigi Fraquelli, an insider of Gibraltar, did not own, control or direct, directly or indirectly, any Shares of the Company. Luigi Fraquelli acquired 200,000 Units under the Private Placement, representing approximately 0.33% of the 60,000,000 Units issued pursuant to the Private Placement. Upon closing of the Private Placement, Luigi Fraquelli beneficially owns, controls or directs, directly or indirectly, approximately 200,000 Shares and 50,000 Warrants, representing approximately 0.22% of the aggregate issued and outstanding Shares on a non-diluted basis and approximately 0.27% of the aggregate issued and outstanding Shares on a partially-diluted basis.

Prior to the Private Placement, the Company had 32,783,155 issued and outstanding on a non-diluted basis. Pursuant to the Private Placement, the Company has issued up to 78,018,000 new Shares, comprised of 60,000,000 Shares, plus 15,000,000 Warrants (exercisable into 15,000,000 Shares at \$0.175/share) and 2,414,400 Broker Warrants (exercisable into 2,414,400 Shares and 603,600 Warrants which are further exercisable into 603,600 Shares at \$0.175/share). This represents approximately 183% of the aggregate issued and outstanding Shares on a non-diluted basis and approximately 238% of the aggregate issued and outstanding shares, assuming exercise of the Warrants and Broker Warrants, as of the date hereof. Following completion of the Private Placement, the Company has 92,783,155 issued and outstanding Shares on a non-diluted basis.

Exemptions under MI 61-101

As Gibraltar and the Insider Participants are insiders of the Company, the Private Placement constituted a related party transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Investments* (MI 61-101). The Company relied on the exemption from the formal valuation requirement in Section 5.5(g) of MI 61-101 and the exemption from the minority approval requirement in Section 5.7(1)(e) of MI 61-101 based on the board of directors of the Company, acting in good faith, having determined, and at least two-thirds of the Company's independent directors, acting in good faith, having determined, that the Company, which throughout 2020 has faced significant challenges brought on by the coronavirus (COVID-19) pandemic, is in serious financial difficulty with limited alternatives, that the Private Placement was designed to improve the Company's financial position, that the terms of the Private Placement were reasonable in the Company's circumstances, that the immediacy of the Company's need for financing through the Private Placement did not afford it sufficient time to hold a shareholders' meeting and that the Private Placement was fair to, and in the best interests of, the shareholders of the Company. The Company will file a material change report in connection with the Private Placement. The Company was unable to issue a material change report more than 21 days before closing the Private Placement as it was reasonable and necessary to do so in the circumstances as the Company wanted to complete the Private Placement as expeditiously as possible given the immediacy of the Company's need for financing.

The Private Placement was considered and unanimously approved by the board of directors of the Company. There was no contrary view or abstention by any director approving the Private Placement.

The only entity or person who (to the knowledge of the Company) owns or exercises control and direction over more than 10% of the issued and outstanding Shares upon completion of the Private Placement, is Gibraltar, which currently exercises control and direction over approximately 20.30% of the outstanding Shares on a non-diluted basis. Information regarding the effect of the Private Placement on the share holdings of Gibraltar and the Insider Participants is provided above.

Purpose and Timeline of the Financing

The net proceeds of the Private Placement shall be used to fund the execution of LXR's transformation to a digital-first omni-channel model as announced on September 3, 2020. The proceeds of the offering shall be used by the Company to accelerate the growth of its e-commerce initiatives, which include expansion of the e-commerce team and increased digital marketing spend, and for general working capital purposes.

The securities issued in connection with the Private Placement will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation. The Warrants will not be listed on any exchange.

The Company will announce its fourth quarter financial results for the three-month and twelve-month periods ending December 31, 2020 at the end of March 2021. The Company is planning to provide preliminary fourth quarter revenue results for the three-month and twelve-month periods ending December 31, 2020 in January 2021.

About LXR

LXR is a socially responsible, digital-first omni-channel retailer of branded vintage luxury handbags and other personal accessories. It curates, sources and authenticates high-quality, pre-owned products from iconic brands such as Hermès, Louis Vuitton, Gucci, Prada and Chanel and sells them at attractive prices through its e-commerce website, www.lxrco.com, as well as the online platforms of its partners and online vintage-focused marketplaces across North America. The Company's omni-channel model is also supported by retail 'shop-in-shop' experience centers and by wholesale activities.

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Caution Regarding Forward-Looking Statements

Certain statements in this press release are prospective in nature and constitute forward-looking information and/or forward-looking statements within the meaning of applicable securities laws (collectively, "**forward-looking statements**"). Forward-looking statements generally, but not always, can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "could", "would", "will", "expect", "intend", "estimate", "forecasts", "project", "seek", "anticipate", "believes", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events and the negative of any of these terms. Forward-looking statements in this news release include, but are not limited to, statements regarding the Company's intended use of proceeds from the Private Placement, the expected benefits of the Private Placement on the Company's financial situation and the successful achievement of the Company's strategic plan or components thereof. Forward-looking statements reflect management's current beliefs, expectations and assumptions and are based on information currently available to management, which includes assumptions about management's historical experience, perception of trends and current business conditions, expected future developments and other factors which management considers appropriate. With respect to the forward-looking statements included in this press release, management has made certain assumptions with respect to, among other things, the Company's ability to meet its future objectives and strategies, the Company's ability to achieve its future projects and plans and that such projects and plans will proceed as anticipated. As well as assumptions concerning general economic and market growth rates, currency exchange and interest rates and competitive intensity.

Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the future circumstances, outcomes or results anticipated or implied by such forward-looking statements will occur or that plans, intentions or expectations upon which the forward-looking statements are based will occur.

All forward-looking statements included in and incorporated into this press release are qualified by these cautionary statements. Unless otherwise indicated, the forward-looking statements contained herein are made as of the date of this press release, and except as required by applicable law, the Company does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Readers are cautioned that the actual results achieved may vary from the information provided herein and that such variations may be material. Consequently, there are no representations by LXRandCo that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements.