FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Luxell Technologies Inc. (the "**Luxell**" or "**Company**")
2145 Meadowpine Blvd.
Mississauga, Ontario L5N 6R8

Item 2. Date of Material Change

May 17, 25, and 30, 2007 and June 1, 2007

Item 3. News Release

The Company issued press releases via a Canadian news wire service on May 22 and 30, 2007 and June 1, 2007, copies of which have been filed on SEDAR.

Item 4. Summary of Material Change

Luxell announced on May 22, 2007 that it had adjourned its annual general meeting of shareholders scheduled for May 17, 2007 (the "Meeting") until June 4, 2007.

Luxell announced on May 30, 2007 that Dean Ferraro, the Chief Financial Officer of the Company had resigned and that the management cease trade order previously imposed by the Ontario Securities Commission (the "MCTO") had been lifted.

Luxell announced on June 1, 2007 that Alec Couckuyt, the president, Chief Executive Officer and a director of the Company would be stepping down effective as of June 1, 2007 from all offices held.

Item 5. Full Description of Material Change

On May 22, 2007 Luxell announced that the Meeting had been adjourned to Monday June 4, 2007, to be held at 5 pm at the offices of WeirFoulds LLP, 15th Floor, Exchange Tower, 130 King Street West, Toronto.

The Meeting was adjourned so that the Board could consider whether Mr. John MacDonald, the Chair of the Board of Directors of Luxell, had a conflict of interest in a proposed transaction involving LUX OLP and whether the Board would be better served in considering any transaction with LUX OLP to have Mr. MacDonald voluntarily step aside as Chairman, at least for the remained of any such negotiations.

On May 30, 2007 Luxell announced that Dean Ferraro, the Chief Financial Officer of the Company, had resigned and that the MCTO had been lifted. The MCTO had previously been imposed as a result of a delay in the filing of the Company's second quarter financial results.

On June 1, 2007 the Company announced that its Board of Directors had accepted the resignation of Alec Couckuyt, as the Company's President, CEO as well as from his position as a director of the Company.

At the same time, the Board of Directors announced the appointment of David Pasieka to the position of interim CEO while Luxell searches for a permanent CEO.

David has more than 26 years of global experience with many of Canada's leading technology companies, including Bell Canada, 724 Solutions, Oasis Technology and eFunds International. David has been a member of the Luxell Board of Directors since late 2005 and chaired a number of the Board's sub-committees in 2006.

Item 5. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable

Item 6. Omitted Information

No information has been omitted from this material change report.

Item 7. Executive Officer

The following senior officer of the Company is knowledgeable about the material change and the Report and may be contacted by the Commission as follows:

Simon Dann 905-363-0325 ext 235

DATED at Toronto, this 12th day of June, 2007

LUXELL TECNOLOGIES INC.

Per: "*Simon Dann*"
SIMON DANN
Director, Corporate Communications
& Investor Relations