LUXELL TECHNOLOGIES INC.

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Luxell Technologies Inc., 2145 Meadowpine Blvd., Mississauga, ON L5N 6R8.

Item 2. Date of Material Change

May 14, 2008.

Item 3. News Release

The Press Release was sent on May 15, 2008 via Canada NewsWire.

Item 4. Summary of Material Change

The issuer closed of the non-brokered private placement announced in its news releases of May 2 and 5, 2008 (the "Offering"). Pursuant to the Offering, the Isssuerraised $6,191,100 million through the issuance of units from treasury at $0.10 per unit. Each unit consists of one (1) common share and one-half (1/2) warrant. Each whole warrant entitles the holder to purchase one (1) common share at a price of $0.25 per share until the second anniversary of the closing date provided that, if the closing price of the common shares as listed on a recognized stock exchange exceeds $0.35 per share for a period of 10 consecutive business days, the expiry date of the warrant will be 30 days from the date of notice sent by the Issuer to the holder.

The Issuer paid agents an aggregate cash commission of $180,288 plus an engagement fee of $25,000. In addition, the Issuer also granted the agents 2,590,380 common shares.

Item 5. Full Description of Material Change

Please refer to the attached press release.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Confidentiality is not requested.

Item 7. Omitted Information

No information has been omitted in respect of the material change.

Item 8. Executive Officer

Simon Dann, Director, Government & Corporate Relations, (905) 363-0325 ext 235, sdann@luxell.com.

Item 9. **Date of Report**

May 22, 2008.

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Luxell Announces Closing of Non-Brokered $6.2 Million Financing

TORONTO, May 15 /CNW/ - Luxell Technologies Inc. (TSX:LUX) today announced the closing of the non-brokered private placement announced in its news releases of May 2 and 5, 2008 (the "Offering"). Pursuant to the Offering, the Company has raised $6,191,100 million through the issuance of units from treasury at $0.10 per unit. Each unit consists of one (1) common share and one-half (1/2) warrant. Each whole warrant entitles the holder to purchase one (1) common share at a price of $0.25 per share until the second anniversary of the closing date provided that, if the closing price of the common shares as listed on a recognized stock exchange exceeds $0.35 per share for a period of 10 consecutive business days, the expiry date of the warrant will be 30 days from the date of notice sent by the Company to the holder.

The Company paid agents an aggregate cash commission of $180,288 plus an engagement fee of $25,000. In addition, the Company also granted the agents 2,590,380 common shares.

Assuming all of the warrants are exercised, a maximum of 92,865,000 common shares will be issued or made issuable pursuant to the transaction representing approximately 145% of the company's issued and outstanding common shares on a pre-transaction basis.

Luxell will use the net proceeds of the Offering for working capital, for continued sales growth, to retire $3.75 million of secured Notes and for general corporate purposes. Securities sold under the Offering are subject to a statutory four (4) month plus 1 day hold period. The Company is relying on the exemption from shareholder approval under section 604 (e) of the TSX Company Manual - Financial Hardship.

The following insiders are subscribers to the Offering:

Name and Position Of Insider	Number of Units	As % of Outstanding Common Shares(prior to Offering)	As % of Outstanding Common Shares - (post-Offering)
Guilio Vitali, Director	2,100,000 Units	5%	2%
John MacDonald Director	4,272,500 Units	6%	3%
David Pasieka Director	2,471,000 Units	2%	1%

The percentages set forth in the above table assume the exercise by the insider of his warrants.

No new insiders have been created by the Offering, regardless of whether the placees exercise all of their respective warrants. The Offering will have no material affect on control of the Company.

"This represents a major step toward our final and successful turnaround," stated Luxell CEO Jean Louis Larmor. "All of the parties surrounding Luxell have worked extremely hard to reach this remarkable achievement. Luxell has an excellent team of management and employees, a very active and involved group of Directors, and an excellent product base that is now exceptionally well positioned for our key market segments. As we move forward to further strengthening our financial basis, we believe Luxell will continue to grow and be well poised for an extended period of high performance."

The Company has determined not to complete the shares-for-debt private placement announced in its Press Release of May 2, 2008.

About Luxell

Luxell designs, manufactures and licenses flat panel display technologies and solutions for defence and avionics industries. More information can be found at www.luxell.com.

For further information: Luxell Technologies Inc., Simon Dann, Director,
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