



trū® Shrimp

330 3rd Street, Balaton, MN 56115, USA

844-220-7574

info@trushrimpCompany.com

trushrimpCompany.com

Dear Investor,

It is a rare opportunity to invest in a company with technologies so disruptive and processes so revolutionary that it can literally change the rules of an entire industry.

Five years and \$50 million + of investment has produced a validated and commercial ready technology to grow safe, sustainable, and superior shrimp. Safe: no disease, no antibiotics, and modern handling and processing overseen by the FDA. Sustainable: we create, reclaim, and reuse our saltwater. Our processes spare the world's oceans of pollution and environmental disasters, which are occurring today in Southeast Asia and coastal shrimp farms. Unlike shrimp ponds, our shrimp never live in their waste and once harvested the shrimp are kept at a constant safe temperature until cooked resulting in a clean, fresh taste, extraordinary rich opaque white and pink color, and a firm, pleasant texture.

Balaton Bay Reef, our pilot production facility commissioned in 2018 has proven the technology. In September 2019, trū Shrimp received FDA and State of Minnesota approval to begin processing and selling shrimp into the food service and retail test markets. Madison, South Dakota has been selected for our first full size production facility; Madison Bay Harbor. We are actively engaged with domestic and international customers to sell the premium shrimp from Madison when available.

Included in this package is our Executive Summary, a Confidentiality Agreement (CA), and the Convertible Note documents. To receive the Confidential Information Memorandum (CIM), execute and return the CA to our Investor Relations Manager at: glen.thuringer@trushrimpcompany.com, and he will forward the CIM to you. To invest in the Convertible Note Offering, execute the Convertible Note Purchase Agreement and send the agreement with a check (made payable to The trū Shrimp Company) for the note purchase amount to:

The trū Shrimp Company
Attn: Michael B. Ziebell
330 3rd Street
Balaton, MN 56115

In addition to this convertible note offering, we are seeking strategic and institutional investors to provide funds to build Madison Bay Harbor. This may be the last time you will have the opportunity to invest in The trū Shrimp Company itself.

We invite you to join us to change an industry.
Kind regards,

Michael B. Ziebell, President & CEO



**Summary of the Offering
Accredited Investors Only**

(subject to the terms and conditions of the Notes and Note Purchase Agreement)

Securities Offered Unsecured Convertible Promissory Notes

Interest Rate..... 6.00%

Minimum Offering Amount..... \$25,000

Maturity Date..... The Notes will reach maturity on December 31, 2020 (the "Maturity Date"), HOWEVER the Notes will automatically convert into equity and will not be repaid.

Conversion to Equity..... The Notes will automatically convert into equity in one of the two following events: 1. In the event the Company completes an offering of at least \$25,000,000 of equity securities as issued in such financing by December 31, 2020 on the same terms and conditions (the "Qualified Financing"), or 2. If there is no Qualified Financing, the Notes automatically convert into shares of the Company's common stock at \$15.00 per share on December 31, 2020. Interest on the outstanding principal balance of the Notes shall convert along with the principal.

Minimum Per Investor \$25,000, unless waived by the Board of Directors

Offering Termination The offering will continue at the discretion of the Board of Directors and may be terminated at any time.

Common Equity Outstanding..... At the commencement of this offering, 10,297,611 shares of Common Stock are issued and outstanding.

Use of Proceeds We intend to use the proceeds of this Offering to continue funding the operations of Balaton Bay Reef and various development, engineering, research, design, planning, and operating activities, and for working capital.



UNSECURED CONVERTIBLE NOTE PURCHASE AGREEMENT

This Unsecured Convertible Note Purchase Agreement (this “Agreement”) is entered into as of _____, 20_____, by The trū Shrimp Company, a Delaware corporation (the “Company”) and the Person listed on Schedule A attached hereto, as such Schedule A may be amended from time to time including at subsequent closings (the “Purchaser”).

WHEREAS, on the terms and subject to the conditions set forth in this Agreement, the Company desires to issue and sell to the Purchaser, and the Purchaser wishes to purchase from the Company an Six Percent (6%) Convertible Promissory Note substantially in the form attached hereto as Exhibit A (each a “Note” and collectively, the “Notes”); and

WHEREAS, the Company and the Purchaser agree that the Company offering and selling at least \$25,000 of Notes and that the Purchaser is one of multiple Purchasers of the Notes.

In consideration of the mutual promises contained herein, the parties agree as follows:

1. Sale and Purchase of Notes.

1.1 Closings. On the date hereof on the terms and subject to the conditions set forth herein, at the Closing (as defined below), the Company shall issue and sell to the Purchaser, and the Purchaser shall purchase from the Company, a Note in the principal amount set forth opposite the Purchaser’s name under Column A on Schedule A attached hereto (the “Notes” and such amount, the “Purchase Price”). The Company’s agreement with the Purchaser is a separate agreement and the sale of Notes to each of the Purchaser is a separate sale.

1.2 Closing; Delivery. The closing of the sale and purchase of the Notes under this Agreement (the “Closing”) shall take place at a location designated by the Company on the date hereof contemporaneously with the execution and delivery of this Agreement by the Company (such date, the “Closing Date”). At the Closing, on the terms and subject to the conditions hereof, the Company shall deliver to the Purchaser a Note in the principal amount set forth opposite such Purchaser’s name on Schedule A attached hereto for such Closing, in each case, against payment of the aggregate consideration therefor as set forth on Schedule A attached hereto in the form of immediately available federal funds, certified or official bank check and/or by another method acceptable to the Company.

2. Representations of the Company. As a material inducement to the Purchaser to enter into this Agreement and consummate the transactions contemplated hereby, including, without limitation, to purchase the Notes, the Company hereby represents and warrants to the Purchaser as follows:

2.1 The Company is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has the corporate power and authority and the legal right to own and operate its properties and to conduct the business in which it is currently engaged.

2.2 The Company has the power and authority and the legal right to execute and deliver, and to perform its obligations under, this Agreement and the Notes and has taken all necessary corporate action to authorize such execution, delivery and performance.

2.3 This Agreement and the Notes constitute a legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

3. Representations of Purchaser; Limitations on Disposition.

3.1 Investment Representations. As a material inducement to the Company to enter into this Agreement and consummate the transactions contemplated hereby, including, without limitation, to sell the Notes to the Purchaser, the Purchaser hereby represents and warrants to the Company that:

(a) The Notes, (together with the shares issuable upon conversion, also referred to herein as the “Securities”) are and will be acquired by each Purchaser for such Purchaser’s own account for purposes of investment, not as a nominee or agent, and not with a view to or in connection with the distribution or resale of all or any part thereof, and that such Purchaser does not have any (i) present intention of selling, transferring granting any participation in, or otherwise distributing the same, or (ii) contract, undertaking, agreement or arrangement with any Person to sell, transfer, grant any participation in or otherwise distribute all or any part of the Securities;

(b) The Purchaser understands that the Securities will not be registered under the Securities Act or applicable state securities laws, by reason of specific exemptions therefrom, which exemptions depend upon, among other things, Purchaser’s representations set forth herein and such Purchaser understands that no public market now exists for the Securities and that the Company has made no assurances that a public market will ever exist for the Securities;

(c) The Purchaser (i) has sufficient knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of its investment in the Securities; (ii) is an investor in securities of companies in the development stage such as the Company; (iii) is able to protect its interests and fend for itself in the transactions contemplated by this Agreement; and (iv) has the ability to bear the economic risks of its investment;

(d) The Purchaser is an “accredited investor” as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act;

(e) The Purchaser understands that the Securities are characterized as “restricted securities” under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such Securities may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, each Purchaser represents that it is familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act;

(f) The Purchaser has satisfied itself as to the full observance by it of the laws of its jurisdiction in connection with the purchase of the Securities including the tax consequences, if any, which may be relevant to the acquisition, holding, sale or transfer of the Securities;

(g) The Purchaser has all requisite power and authority to enter into this Agreement and the Notes (collectively, the “Transaction Documents”) and perform its obligations hereunder, and this Agreement constitutes a valid and binding obligation of such Purchaser enforceable against such

Purchaser in accordance with its terms, subject as to enforcement of remedies to applicable bankruptcy, insolvency, reorganization or similar laws affecting generally the enforcement of creditors' rights and subject to a court's discretionary authority with respect to the granting of a decree ordering specific performance or other equitable remedies; and

(h) The Purchaser represents that the Purchaser has had an opportunity to ask questions and receive answers from the Company regarding the Company, its business and the terms and conditions of the offering of the Securities. With respect to tax considerations involved in the investment, the Purchaser is not relying on the Company.

3.2 Limitations on Disposition.

(a) Without in any way limiting the representations set forth in Section 3.1 hereof, each Purchaser hereby further agrees not to make any sale, transfer or other disposition of all or any portion of the Securities unless and until:

(i) There is then in effect a registration statement under the Securities Act covering such proposed sale, transfer or other disposition and such sale, transfer or other disposition is made in accordance with such registration statement;

(ii) (A) The Purchaser shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and (B) if requested by the Company, such Purchaser shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such sale, transfer or other disposition will not require registration of such Securities under the Securities Act, provided, however, that the Company will not require such an opinion of counsel for transactions made pursuant to Rule 144, as currently in existence, except in unusual circumstances;

(iii) The submission to the Company of such other evidence, as may be satisfactory to the Company, that such proposed sale, transfer or other disposition will not be in violation of the Securities Act and any applicable state securities laws or regulations; or

(iv) The Company has determined that any transfer, sale or other disposition of the Securities will not cause the Company to have any obligation pursuant to the provisions of the Securities Exchange Act of 1934, as amended.

(b) Notwithstanding the provisions of subsection (a) immediately above, no such registration statement or opinion of counsel shall be required for a transfer to (i) any affiliate of such Purchaser as defined under Rule 144 of the Securities Act; (ii) Purchaser's partners, stockholders, members or other equity holders; (iii) any immediate family member of a Purchaser; (iv) Purchaser's executors or legal representatives; or (v) trustees of an inter-vivos trust or testamentary trust for the benefit of members of a Purchaser's immediate family, provided that, in the case of the foregoing clauses (i) through (v), the transferee makes in writing the representations and warranties in favor of the Company contained in, and agrees in writing to the terms of, Section 3 hereof as if such transferee were the original Purchaser hereunder, all in form and substance reasonably satisfactory to the Company.

(c) The Purchaser understands and agrees that any sale, transfer or other disposition of all or any portion of the Securities in violation of the provisions of this Section 3.2 shall be null and void and prohibited, and that the Company shall not be required to recognize the same on its books and records any such purported sale, transfer or other disposition.

3.3 Legends. It is understood that the certificates evidencing the Securities may bear the following legends, as applicable insubstantially the form below:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR UNDER THE PROVISIONS OF ANY APPLICABLE STATE SECURITIES LAWS, BUT HAVE BEEN ISSUED AND SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SUCH ACTS. THE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT ONLY AND MAY NOT BE SOLD, PLEDGED, TRANSFERRED OR ASSIGNED, EXCEPT (i) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT AND ANY APPLICABLE STATE SECURITIES ACTS; OR (ii) UPON THE ISSUANCE TO THE COMPANY OF AN OPINION OF COUNSEL, OR THE SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE, AS MAY BE SATISFACTORY TO THE COMPANY, THAT SUCH PROPOSED SALE, TRANSFER, PLEDGE OR OTHER DISPOSITION WILL NOT BE IN VIOLATION OF THE 1933 ACT AND ANY APPLICABLE STATE SECURITIES ACTS.

(b) Any other legend required by the securities laws of states or other jurisdictions to the extent such laws are applicable to the securities represented by the instrument so legended.

3.4 Residence. If the Purchaser is an individual, then the Purchaser resides in the state or province identified in the address of the Purchaser set forth on Schedule A; if the Purchaser is a partnership, corporation, limited liability company or other entity, then the office or offices of the Purchaser in which its principal place of business is located at the address or addresses of the Purchaser set forth on Schedule A.

4. Conditions to the Obligations of the Company. The obligations of the Company to sell the Notes to the Purchaser at each of the Closings are subject to fulfillment, or the waiver, of each of the following conditions on or before each of the Closings:

4.1 Securities Laws Approvals. The Company shall have received the requisite approvals for the sale by the Company of the Notes pursuant hereto, if any, of the federal and/or state securities authorities of each jurisdiction in which such approval is required to have been obtained prior to each Closing and such approvals shall be in full force and effect on the date of each Closing.

4.2 Payment of Purchase Price. In connection with each Closing, the Purchaser shall have delivered to the Company the purchase price for the Notes purchased in accordance with Section 1.2.

5. General Provisions.

5.1 Entire Agreement. This Agreement, and the documents referred to herein constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and any and all other written or oral agreements relating to the subject matter hereof existing between the parties hereto are expressly canceled.

5.2 Amendment and Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed by both the Company and the holders of a majority of the then outstanding principal under the Notes, (the “Requisite Holders”; such consent, the “Requisite Consent”). No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right

hereunder in any manner impair the exercise of any such right accruing to it thereafter. Any amendment, waiver or consent affected in accordance with this section shall be binding on all Purchasers, notwithstanding that all Purchasers have not executed such amendment, waiver or consent.

5.4 Assignment. This Agreement shall bind and benefit the parties hereto and the respective successors, permitted assigns, heirs, executors and administrators of the parties. Notwithstanding the foregoing, the Company may not assign or otherwise transfer this Agreement without the prior written consent of a Requisite Consent, except for assignments or transfers in connection to a sale, merger or change in control of the Company. The rights of the Purchaser under this Agreement may not be assigned without the prior written consent of the Company, except for transfers to affiliates, successors or partners of a Purchaser. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

5.5 Headings. The headings in this Agreement are used for convenience only and are not to be considered in construing or interpreting any provision of this Agreement.

5.6 Governing Law; Jurisdiction; Jury Waiver. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Minnesota, excluding the choice of law rules thereof. The parties hereby irrevocably consent to the personal jurisdiction of the Federal and State courts located in Minnesota, and waive any defense based upon improper venue, inconvenient venue or lack of personal jurisdiction. Each party hereto waives any right it may have to a trial by jury with respect to any action or proceeding arising out of or relating to this Agreement or the other Transaction Documents.

5.7 Notices. Any notice, demand, request or delivery required or permitted to be given by the Company or the Purchaser pursuant to the terms of this Agreement shall be in writing and shall be deemed given (i) when delivered personally or when sent by facsimile transmission and confirmed by telephone or electronic transmission report, if sent during normal business hours, if not then the following business day (with a hard copy to follow by mail), (ii) on the next business day after timely delivery to a generally recognized receipted overnight courier (such as UPS or Federal Express) and (iii) on the third business day after deposit in the U.S. mail (certified or registered mail, return receipt requested, postage prepaid), addressed to the party at such party's address as set forth below or as subsequently modified by written notice delivered as provided herein.

If to the Company:

The trū Shrimp Company
Attention: Mr. Michael B. Ziebell
330 3rd Street
Balaton, MN 56115
Michael.ziebell@trushrimpcompany.com
Facsimile: 507-532-5740

With a copy to:

Avisen Legal, P.A.
AT&T Tower

901 Marquette Avenue, Suite 1675
Minneapolis, Minnesota 55402
Attention: Mr. Todd Taylor
ttaylor@avisenlegal.com

If to the Purchaser:

As set forth on Schedule A.

5.8 Expenses. Each party shall pay all of its own costs and expenses that it incurs with respect to the Closing and the performance of this Agreement. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement or the other Transaction Documents, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

5.9 Confidentiality. Each Purchaser hereby agrees that, except with the prior written consent of the Company and except as reasonably required by such Purchaser in communications with its respective partners and affiliates with respect to financial and business performance data, it shall at all times keep confidential and not divulge, furnish or make accessible to anyone any confidential information, knowledge or data concerning or relating to the business or financial affairs of the Company to which such Purchaser has been or shall become privy by reason of this Agreement or the other Transaction Documents, discussions or negotiations relating to this Agreement or the other Transaction Documents, the performance of its obligations hereunder or the ownership of the Notes. The provisions of this Section 5.9 shall be in addition to, and not in substitution for, the provisions of any separate nondisclosure agreement executed by a Purchaser.

5.10 Counterparts; Effectiveness; Execution by Facsimile Exchange.

(a) This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

(b) This Agreement shall not be or become effective unless it shall have been executed and delivered by all of the parties hereto.

(c) This Agreement may be executed and delivered by any party hereto by facsimile, following which the party which so executed and delivered this Agreement by facsimile shall promptly send an original executed counterpart to the other parties hereto or their respective counsel.

5.11 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

5.12 Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice-versa.

5.13 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any

provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

5.14 Severability. If any provision of this Agreement is determined to be invalid, illegal or unenforceable, in whole or in part, the validity, legality and enforceability of any of the remaining provisions or portions of this Note shall not in any way be affected or impaired thereby and this Note shall nevertheless be binding between the Company and each Purchaser.

5.15 Survival of Representations and Warranties and Covenants. The representations, warranties and covenants of the parties contained herein shall survive the Closing and any transfer or disposition of the Notes.

[Remainder of Page Intentionally Left Blank]

The parties hereto have executed this Note Purchase Agreement as of the day and year first set forth above.

THE COMPANY:

The trū Shrimp Company

By: _____

Name: Michael B. Ziebell

Title: Chief Executive Officer

PURCHASER:

By: _____

Name: _____

Title: _____

[SIGNATURE PAGE TO NOTE PURCHASE AGREEMENT]

Schedule A

Name: _____
(Individual or Entity)

Address: _____

Tax ID #: _____

Email: _____

THIS PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS. THESE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO DISTRIBUTION OR RESALE, AND MAY NOT BE MORTGAGED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR AN OPINION OF COUNSEL SATISFACTORY TO BORROWER THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT.

trU® SHRIMP
THE TRU SHRIMP COMPANY
UNSECURED CONVERTIBLE PROMISSORY NOTE

\$ _____, 20____

FOR VALUE RECEIVED, The tru Shrimp Company, a Delaware corporation (the “Company”), hereby promises to pay to _____ (the “Holder”), on December 31, 2020 (the “Maturity Date”), the principal sum of \$_____ or such part thereof as from time to time remains outstanding, together with simple interest on the balance of principal remaining unpaid from time to time accruing on and from the date hereof at an annual rate equal to six percent (6%); provided, that in no event shall the rate of interest exceed the maximum rate, if any, allowable under applicable law. Interest shall be calculated based on a 365-day year, as applicable. All references to “\$” shall mean the lawful currency of the United States of America.

This Convertible Promissory Note (this “Note”) is one of a series of identical promissory notes (the “Transaction Notes”) being executed and delivered in connection with and as a part of a Note offering (the “Note Offering”) being conducted by the Company. By accepting the Note, the Holder agrees to be bound by the terms and conditions governing the Note and all Transaction Notes and by the covenants and agreements of the Holder set out herein.

1. **Defined Terms.** Capitalized terms used herein and not otherwise defined shall have the meanings set forth below.

(a) “Equity Security” means any class or series of the Company’s equity securities.

(b) “Financing” means any Equity Security financing, for the account of the Company, aggregating to a minimum of \$25,000,000 in gross proceeds in one or a series of financings on the same terms and conditions from one or more accredited investors which is closed by December 31, 2020, exclusive of the amount of Transaction Notes convertible in connection with such Financing.

(c) “**Majority in Interest**” means the holders of a majority of the aggregate principal amount outstanding under all Transaction Notes issued in connection with the Note Offering.

(d) “**Sale Event**” means any of the following, unless such event is undertaken in connection with a Financing or is designated not to be a “Sale Event” by a Majority in Interest:

(i) any acquisition of Company by means of merger or other form of corporate reorganization in which the stockholders of Company immediately prior to such event do not directly or indirectly hold a majority of the outstanding shares or interest in the surviving corporation or entity and in which outstanding shares of the Company are exchanged for securities or other consideration issued (or caused to be issued) by the acquiring entity or its subsidiary (other than a mere reincorporation transaction), or any transaction or series of related transactions to which the Company is a party in which in excess of fifty percent (50%) of voting power in the Company is transferred;

(ii) any sale or other disposition (or series of related sales or dispositions) of the outstanding stock of the Company in which stockholders immediately prior to such event do not directly or indirectly hold a majority of the outstanding stock of the Company immediately after such event; or;

(iii) any sale, license, lease or disposition of all or substantially all of the assets of the Company out of the ordinary course of business.

(e) “**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

2. **Payment.** All payments on account of principal and interest shall be made in lawful money of the United States of America at such place as the Holder may from time to time designate in writing to the Company.

3. **Automatic Conversion in Connection with a Financing.** On the date of a Financing prior to the Maturity Date, all of the outstanding principal amount hereunder, and any accrued and unpaid interest thereon, shall convert into shares of that class or series of Equity Securities issued by the Company in connection with such Financing at the price paid for such class or series of equity.

4. **Automatic Conversion in Connection with a Sale Event.**

(a) If the Note remains outstanding immediately prior to the occurrence of a Sale Event taking place prior to the Maturity Date, all of the outstanding principal amount under the Note and any accrued and unpaid interest thereon shall be converted automatically into shares of Common Stock of the Company immediately prior to such Sale Event at a price equal to the proceeds per

share of Common Stock payable in such Sale Event.

(b) The Company shall give notice of the Sale Event to the Holder as soon as is practicable, but in no event less than ten (10) days prior to the actual closing of such Sale Event. Such notice shall specify the anticipated date of such closing, the amount of shares of Common Stock which may be issued upon such conversion and the amount of cash adjustment to be paid in respect of any fractional interest in the Sale Event.

5. **Automatic Conversion if No Financing.** If the Company has not closed on a Financing or Sale Event by December 31, 2020, then the outstanding principal of this Note, together with accrued but unpaid interest hereon, shall be converted automatically into shares of Common Stock of the Company, based on a per Share price of \$15.00.

6. **Mechanics of Conversion.**

(a) Upon conversion of the Note, the Holder shall deliver to the Company or any transfer agent of the Company the Note or an Affidavit of Loss, and duly complete, execute and deliver to the Company an investment representation letter in a form reasonably satisfactory to Company that the issuance of the Company's Equity Securities upon conversion hereof is exempt from the registration requirements of the Securities Act and all applicable U.S. state securities laws. In the event of a conversion in a Financing, the Holder shall also duly complete, execute and deliver to the Company all agreements and other instruments required to be signed by purchasers in such Financing, with such adjustments as are determined by the Company to be reasonably necessary or desirable. Thereupon, there shall be issued and delivered to such Holder one or more certificates or other evidence of stock ownership representing the Equity Securities into which the Note was convertible. Any Equity Securities deliverable pursuant to this Section 6 shall be duly authorized, validly issued and fully paid and non-assessable.

(b) No fractional share or interest of Equity Securities, or scrip representing fractional shares or interests, shall be issued upon conversion of the Note. Instead of any fractional shares or interest of Equity Securities, as the case may be, which would otherwise be issuable upon conversion of the Note, the Company shall pay to the Holder a cash adjustment in respect of such fraction in an amount equal to the same fraction of the price at which such Note converts.

(c) Upon the issuance of Equity Securities to the Holder pursuant to the conversion of the entire outstanding principal amount under the Note and any accrued and unpaid interest thereon, the Note shall be canceled.

7. **Transfer and Exchange.** The Holder may, prior to maturity hereof, surrender the Note at the principal office of the Company for transfer or exchange. Within a reasonable time after surrender of the Note, and without expense to the Holder (except for any transfer or similar tax which may be imposed on the transfer or exchange), the Company shall issue in exchange therefor another note or notes for the same aggregate principal amount as the unpaid principal amount of the Note so surrendered, having the same maturity and rate of interest, containing the same

provisions and subject to the same terms and conditions as the Note so surrendered. Each new Note shall be made payable to such person or persons, or transferees, as the Holder of such surrendered Note may designate, and such transfer or exchange shall be made in such a manner that no gain or loss of principal or interest shall result therefrom. The Company may elect not to permit a transfer of the Note if it has not obtained reasonable assurances that such transfer is exempt from the registration requirements of, or covered by an effective registration statement under, the Securities Act, and is in compliance with all applicable state securities laws, including without limitation receipt of an opinion of counsel for the Holder, which opinion shall be satisfactory to the Company. The Company may further elect not to permit a transfer of the Note in the event that such transfer may require the Company, due to such transfer, to register the Equity Securities pursuant to the Securities Exchange Act of 1934, as amended.

8. **Replacement Note**. If at any time the Holder notifies the Company that the Note has been lost, stolen or destroyed and the Holder either (a) delivers to the Company evidence reasonably satisfactory to the Company of such loss, theft, destruction or mutilation of the Note or (b) executes and delivers to the Company an agreement reasonably satisfactory to the Company to indemnify Company from any loss incurred by it in connection therewith, then the Company will issue a new Note for the same aggregate principal amount as the unpaid principal amount of such lost, stolen, destroyed or mutilated Note, and having the same maturity and rate of interest, containing the same provisions and subject to the same terms and conditions as such lost, stolen, destroyed or mutilated Note.

9. **Pari Passu Notes**. The Holder acknowledges and agrees that the payment of all or any portion of the outstanding principal amount of the Note and all interest hereon shall be pari passu in right of payment and in all other respects to the other Transaction Notes. In the event the Holder receives payments in excess of his, her or its pro rata share of the Company's payments to holders of all of the Transaction Notes, then the Holder shall hold in trust all such excess payments for the benefit of the holders of the other Transaction Notes and shall pay such amounts held in trust to such other holders upon demand by such holders.

10. **No Security Interest/Subordination**. This Note and the obligations of the Company hereunder are not secured by any assets of the Company or any other party. Further, the repayment obligation, to the extent one exists, will be subordinated in all respects to all repayment indebtedness, trade payables and other obligations of the Company, and no payment may be made under, and no enforcement action may be taken with respect to, this Note without the consent of the holders of the Company's secured indebtedness.

11. **Governing Law; Severability**. This Note shall be governed by and construed in accordance with the laws of the State of Minnesota applicable to instruments made and to be performed wholly within that state. If any provision of the Note is held to be illegal or unenforceable for any reason whatsoever, such illegality or unenforceability shall not affect the validity of any other provision hereof.

12. **Amendment and Waiver**. Any provision of the Note may be amended, waived or

modified upon the written consent of the Company and a Majority in Interest. A waiver of any right or remedy under the Note on any occasion shall not be a bar to exercise of the same right or remedy on any subsequent occasion or of any other right or remedy at any time.

13. **Assignment**. The rights and obligations of Company and Holder shall be binding upon and benefit their respective successors and assigns. Notwithstanding the foregoing, Company may not assign any of its rights or obligations hereunder without the prior consent of Holder.

14. **Notices**. Any notice required or permitted under the Note shall be in writing (including facsimile communications and electronic mail) and shall be deemed to have been given (i) on the date of delivery, if personally delivered to the party to whom notice is to be given, (ii) the third day after mailing, if mailed to the party to whom notice is to be given, by certified mail, return receipt requested, postage prepaid or (iii) on the date of delivery, if delivered via confirmed facsimile or electronic mail and, in each case, addressed as follows or to the most recent address, specified by written notice, of Holder or Company given to the sender pursuant to this Section 15:

a. if to Holder, to:

[name of holder]

Attn: _____

[address]

Facsimile:

Email:

b. if to the Company, to:

The trū Shrimp Company

Attn: Michael B. Ziebell

330 3rd Street

Balaton, MN 56115

Facsimile: 507-532-5740

E-mail: Michael.Ziebell@trushrimpcompany.com

c. With a copy to:

Avisen Legal, P.A.

AT&T Tower

901 Marquette Avenue

Suite 1675

Minneapolis, MN 55402

Attn: Todd Taylor, Esq.
Facsimile: (612) 584-3406
E-mail: ttaylor@avisenlegal.com

15. **Specific Performance.** Company acknowledges and agrees that the remedies at law of Holder in the event of any default by Company in the performance of or compliance with any of the terms of the Note are not adequate and may be enforced by a decree for the specific performance of any agreement contained herein or by an injunction against a violation of any of the terms hereof or otherwise.

[*Signature Page to Follow*]

The undersigned have executed this instrument as of the date first above written.

THE TRŪ SHRIMP COMPANY

By: _____

Name: Michael B. Ziebell

Title: Chief Executive Officer