

OFFERING SUMMARY



CONVERTIBLE PROMISSORY NOTE

\$1,500,000

THIS OFFERING INVOLVES CERTAIN RISKS.

THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM CONTAINS MATERIAL NON-PUBLIC INFORMATION REGARDING EXEO ENTERTAINMENT, INC. (“EXEO” OR THE “COMPANY”). BY ACCEPTING THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM AND THE EXHIBITS HERETO (COLLECTIVELY THE “OFFERING DOCUMENTS”), THE RECIPIENT AGREES WITH THE COMPANY TO MAINTAIN IN STRICT CONFIDENCE ALL NON-PUBLIC INFORMATION, INCLUDING, BUT NOT LIMITED TO, THE EXISTENCE OF THE PROPOSED FINANCING AND ANY OTHER NON-PUBLIC INFORMATION REGARDING THE COMPANY OBTAINED FROM THESE OFFERING DOCUMENTS, ANY OTHER TRANSACTION DOCUMENT OR THE COMPANY.

DO NOT CIRCULATE OR COPY

Memorandum No: _____

CONFIDENTIAL

THIS OFFERING SUMMARY (THIS “SUMMARY”) IS BEING FURNISHED TO A LIMITED NUMBER OF SOPHISTICATED INVESTORS (HEREIN, “INVESTORS”) ON A CONFIDENTIAL BASIS FOR THE SOLE PURPOSE OF EVALUATING AN INVESTMENT IN THE UNITS DESCRIBED HEREIN (THE “UNITS”) IN EXEO ENTERTAINMENT, INC. (THE “COMPANY”) AND MAY NOT BE USED FOR ANY OTHER PURPOSE. THIS SUMMARY MAY NOT BE REPRODUCED OR PROVIDED TO OTHERS WITHOUT THE PRIOR WRITTEN CONSENT OF COMPANY. THIS SUMMARY MUST BE RETURNED TO THE COMPANY UPON REQUEST. BY ACCEPTING DELIVERY OF THIS SUMMARY, EACH PROSPECTIVE INVESTOR AGREES TO THE FOREGOING.

IN MAKING AN INVESTMENT DECISION EACH INVESTOR MUST RELY ON SUCH INVESTOR’S OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE UNITS HAVE NOT BEEN REGISTERED WITH OR RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR CALIFORNIA INVESTORS:

THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS OFFERING HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPTED FROM QUALIFICATION BY SECTION 25100, 25102, OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

FOR NEW YORK INVESTORS:

THIS SUMMARY HAS NOT BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

INVESTOR SUITABILITY STANDARDS

SUBSTANTIAL MEANS AND ILLIQUIDITY: THE COMPANY IS SUITABLE ONLY FOR

SOPHISTICATED, WELL-INFORMED INVESTORS WHO HAVE NO NEED FOR LIQUIDITY IN THIS INVESTMENT AND WHO HAVE ADEQUATE MEANS OF PROVIDING FOR THEIR ANNUAL NEEDS AND CONTINGENCIES. THE INVESTOR OR THE INVESTOR'S REPRESENTATIVES MUST HAVE KNOWLEDGE OF FINANCE, SECURITIES AND INVESTMENTS GENERALLY AND THE INVESTOR'S PROPOSED INVESTMENT IN THE COMPANY MUST NOT BE MATERIAL WHEN COMPARED TO THE INVESTOR'S TOTAL FINANCIAL CAPACITY. ALL PROSPECTIVE INVESTORS MUST BE "ACCREDITED INVESTORS", AS THAT TERM IS DEFINED IN REGULATIONS PROMULGATED UNDER THE 1933 ACT AND RELATED LAWS.

ABILITY AND WILLINGNESS TO ACCEPT RISK: THE ECONOMIC BENEFIT FROM AN INVESTMENT IN THE COMPANY DEPENDS UPON MANY FACTORS BEYOND THE CONTROL OF THE COMPANY AND ITS MANAGEMENT. AN INVESTMENT IN THE COMPANY INVOLVES A HIGH DEGREE OF BUSINESS AND FINANCIAL RISK THAT CAN RESULT IN SUBSTANTIAL LOSSES (SEE RISK FACTORS IN FORM S-1). ACCORDINGLY, THE SUITABILITY OF INVESTING IN THE COMPANY FOR ANY PARTICULAR INVESTOR WILL DEPEND UPON, AMONG OTHER THINGS, SUCH INVESTOR'S INVESTMENT

OBJECTIVES AND ABILITY TO ACCEPT SPECULATIVE RISKS. AN INVESTMENT IN THE COMPANY IS NOT SUITABLE FOR AN INVESTOR SEEKING CURRENT INCOME.

ABILITY TO ACCEPT LIMITATIONS ON TRANSFERABILITY: INVESTORS MAY NOT BE ABLE TO LIQUIDATE THEIR INVESTMENTS IN THE EVENT OF ANY EMERGENCY OR FOR ANY OTHER REASON BECAUSE THERE IS ONLY A LIMITED PUBLIC MARKET FOR SHARES OF THE COMPANY'S COMMON STOCK.

THESE SUITABILITY STANDARDS REPRESENT MINIMUM STANDARDS FOR PROSPECTIVE INVESTORS. THE SATISFACTION OF SUCH STANDARDS BY A PROSPECTIVE INVESTOR DOES NOT NECESSARILY MEAN THAT THE INVESTMENT IN THE COMPANY IS A SUITABLE INVESTMENT FOR THAT INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD DETERMINE INDEPENDENTLY WHETHER AN INVESTMENT IN THE COMPANY IS SUITABLE FOR THAT INVESTOR IN LIGHT OF THE INVESTOR'S OWN PERSONAL CIRCUMSTANCES. BY INVESTING IN THE COMPANY, EACH INVESTOR REPRESENTS TO THE COMPANY THAT SUCH INVESTOR MEETS THESE STANDARDS. THE COMPANY WILL NOT ACCEPT SUBSCRIPTIONS FROM ANY PERSON OR ENTITY THAT DOES NOT REPRESENT THAT SUCH STANDARDS ARE MET. THE COMPANY, IN ITS SOLE DISCRETION, WILL DETERMINE WHICH SUBSCRIPTIONS SHALL BE ACCEPTED.

AN INVESTMENT IN THE COMPANY REQUIRES A MINIMUM INVESTMENT OF \$50,000 (PROVIDED, HOWEVER, THAT THE COMPANY RESERVES THE RIGHT TO ACCEPT INVESTMENT IN A LESSER AMOUNT).

THE OFFERING IS BEING MADE ONLY TO ACCREDITED INVESTORS PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT, AS PROVIDED BY SECTION 4(2) OF THE 1933 ACT AND REGULATION D PROMULGATED THEREUNDER AND CERTAIN OTHER EXEMPTIONS UNDER RELEVANT STATE SECURITIES LAWS.

DESCRIPTION OF THE OFFERING

Convertible Promissory Note

Exeo Entertainment, Inc., a Nevada corporation (the “Company”) is offering (the “Offering”) to sell up to \$1,500,000 of non-secured convertible promissory notes, herein referred to as “notes,” to select accredited investors. The Notes will convert into shares of common stock based on certain financing events, (see complete note agreement attached) or at any time after an initial six-month holding period but prior to maturity.

Company to Conduct Offering

The officers and directors of the Company intend to conduct the Offering without the involvement of a broker or underwriter, and they shall not receive any compensation in connection with the Offering. The Company, however, reserves the right to engage a registered broker-dealer or underwriter to conduct the Offering and pay a commission of up to ten percent (10%) of the total proceeds of the Offering.

Offering Proceeds

We anticipate that if we are successful in selling the total amount of Units offered in this Offering, the Company will receive net proceeds of approximately \$1,475,000, after all offering expenses of approximately \$25,000. There can be no assurance that we will be successful in selling all or any portion of the Units offered in the Offering.

Use of Proceeds

Krankz Ad Campaign	\$ 250,000
Investor Relations	\$ 150,000
Legal	\$ 50,000
Accounting	\$ 50,000
Auditing	\$ 35,000
Offering Expenses	\$ 25,000
Reg A Marketing Expense	\$ 250,000
Product Development	\$ 150,000
Inventory	\$ 150,000
Working Capital	\$ 390,000
Total Use of Proceeds	\$ 1,500,000

No Escrow

All proceeds received by the Company from this Offering shall become immediately available to the Company, and there will be no escrow account established.

No Minimum

There is no minimum amount of Units that must be sold in the Offering, and the Company can terminate the Offering at any time in its sole discretion.

Term of Offering

The term of this Offering is 180 days, which may be extended for another 180 days in the Company's sole discretion.

Where to Obtain Additional Information

For further information regarding both our Company and our common stock, we refer you to our registration statement filed on Form S-1 and our periodic public reports filed on Forms 10K, 10Q and 8K, including all exhibits and schedules, which are hereby incorporated herein by reference, and which you may inspect without charge at the public reference facilities of the SEC's Washington, D.C. office, 100 F Street, N.E., Washington, D.C. 20549, on official business days during the hours of 10am and 3pm, and on the SEC Internet site at <http://www.sec.gov>. Information regarding the operation of the public reference rooms may be obtained by calling the SEC at 1-800-SEC-0330.

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About the Company

Exeo Entertainment, Inc. is full SEC reporting company trading Over the Counter (OTC) “OTCQB” under the ticker EXEO. We are a Nevada Corporation, and we operate out of a 10,068 leased facility located at 4478 Wagon Trail Ave. Las Vegas, NV 89118. We began operations in 2011 and the day-to-day operations continue under the guidance of Founders Jeff Weiland and Robert “Scott” Amaral.

Exeo Entertainment, Inc. is a manufacturer and distributor of consumer electronics. Our wholly owned brands include Krankz Audio and Psyko Audio music and gaming headphones. We also have licensing and distribution agreements with Ford® motor company whereby we distribute a catalog of various cell phone accessories, under license, to 3000 domestic Ford® dealers and Parts stores such as Napa, Pep Boys, and O’Reilly that carry Ford® branded accessories. Additionally, we are a sponsor of our local NHL team the Vegas Golden Knights. Our sponsorship agreement gives us exposure to local fans with an in-game presence and also allows us to sell VGK branded headphones. We sell the VGK branded headphones at T-Mobile Arena, City National Arena, and most MGM properties of the Las Vegas Strip.

The Headphone Market

The global market for headphones is a \$25 billion dollar a year market that ships over 320,000,000 pairs of headphones worldwide every single year. The average American household has four pairs of headphones and they buy new earbuds every three months and over the ear headphones every six months.

While the headphone industry is competitive is it also highly fragmented. You have a few dominate brands and dozens of other either legacy brands or companies simply rebranding low quality headphones from Chinese wholesalers like Alibaba. Headphone companies do millions while headphone brands do billions. We are building a brand.

While companies like beats and Bose do billions of dollars a year in sales, we are targeting a younger, Gen Z (13–25-year-old) demographic. We believe that beats are aging out of the younger demographic and we now have a situation where the kids dads’ own beats and their grandpa owns Bose. Krankz Audio is a brand marketing to, and for the next generation.

Why We’re Raising Capital

Exeo Entertainment, Inc. spent the better part of 2019 raising capital and developing high level relationships with companies like Ford®, O’Reilly and the NHL®. In early 2020 we began rolling out our Ford® branded merchandise to select Ford® dealerships. We had a meeting set up with the O’Reilly auto parts chain to carry the Ford® branded cell phone accessories which was missed due to the pandemic. In 2020 companies became very hesitant to stock new, unproven product when they had no idea what the future held. As a result, we did not establish the revenue base to finance all of our proposed marketing activities centered around building the Krankz brand. Local sales of our VGK branded headphones also came to a screeching halt as the NHL season went on pause and when it was eventually continued the remaining games were played in a bubble in Canada. Las Vegas became a ghost town and while it is beginning to open up, the present crowd looks much different that it did pre Covid.

While the pandemic dramatically impacted our sales and financing plans, it had a bigger impact on some of our early-stage investors. Some of our larger shareholders, all holding 100,000 plus shares of Exeo, sold shares in a condensed time causing downward price pressure on our stock. We have yet to embark on an investor awareness campaign and have remained thinly traded since going public. When you have far more selling than buying, you end up where we are.

The great news is that the upside potential remains unchanged, and the headphone market is booming.

Where We're At

We have recently revamped our products, our approach, who we target, and we now have actionable plans in place to differentiate Krankz and give our demographic a compelling reason to buy. Until recently Krankz had a small brand feel at a premium price and without awareness consumers were hesitant to buy. Now when you visit www.krankzaudio.com you will see that we look no different than the large established players.

Our initial focus is on getting the Krankz name in front of millions of potential customers every month. The only way to do that is through advertising. We need every 13 – 25-year-old in the United States to have heard or seen the Krankz brand multiple times. In order to achieve that we have enlisted some of the top Gen Z marketing agencies in the Country. The majority of our advertising will revolve around social media and influencer marketing. We believe that the visual side of social media will make the biggest impact. Advertising will occur on TikTok, YouTube, Snapchat, and Instagram. We are expecting between 8 – 10 million views every month on social media.

While we have fully developed product sitting in our warehouse and while we do sell units on Amazon and through our website, sales will continue to be minimal until consumers know we exist. The best product in the world will not sell if people don't know it exists. This is what we are changing. To see more details on our marketing strategy please see separate "Marketing Plan."

The Plan

Exeo Entertainment, Inc. is offering up to \$1,500,000 of convertible promissory notes to accomplish the following:

- Launch ad campaign to increase awareness and sales in Krankz Audio
- Launch Investor Relations campaign to increase liquidity and price appreciation in our stock
- File SEC 1-A for tier II reg. A offering - \$10,000,000
- Complete offering and uplist to NASDAQ

Liquidity / Reg. A

We believed that taking Exeo public would increase our liquidity and access to capital. This put a substantial financial burden on the company and access to capital did not increase. In fact, raising capital with a public company has been more difficult. We are a thinly traded stock and need to increase market awareness through investor relations.

With a competent IR firm, we will be able to bring new investors into the deal which will drive our stock price higher and create liquidity. With an established secondary market for the shares, an increase in trading volume gives us access to institutional money. Institutional money simply means we move forward at a faster rate. We have an IR firm on standby and their track record over the last year is stellar. They generate huge amounts of awareness and most companies are able to secure large rounds of financing due, in part, to their efforts.

Once we correct our stock price and get our stock back above \$1.00, we will be filing paperwork with the SEC for a regulation A offering. The benefit of a reg. A is that investors do not need to be accredited and it allows for general advertising. Additionally, shares are free trading. Regulation A is most definitely the future of small company financing. On completion of our reg. A round we expect to meet the price and net capital requirements to uplist to NASDAQ.

Generating Sales

The purpose of this offering is to generate the capital necessary to fund our advertising initiatives to build the Krankz Audio brand. We have a warehouse filled with inventory, overwhelmingly positive reviews, and a clearly defined strategy to appeal to the Gen Z demographic. We will reach our audience through social media and college campuses. We are targeting in industry average 5:1 return on our ad spend. Timing of the cash flow is difficult to predict as most consumers buy on their 3rd, 4th, and 5th impression, not the first. The simple way to look at an ad campaign is that your returns increase over time. Advertising is more a culmination of all activities than one particular ad. At the end of the day however revenue is a function of your ad spend and the more you advertise the more you sell. Proceeds from this note offering will be used to kick off our ad campaign and we are forecasting a 3:1 return on our ad spend.

Unit Cost Breakdown

Headphone Cost Structure										
	Earbuds		Classic		Maxx		Maxx Pro		Average	
Sales Price	\$ 29		\$ 69		\$100		149		\$86.75	
Input cost	\$ 8	28%	\$ 25	36%	\$ 35	35%	45	30%	\$27.98	32%
Gross Profit	\$ 21	72%	\$ 44	64%	\$ 65	65%	\$ 104	70%	\$58.77	68%
Less										
Finance Fee	\$ 1	5%	\$ 3	5%	\$5.00	5%	\$7.45	5%	\$4.34	5%
Selling Fee	\$ 3	10%	\$ 7	10%	\$ 10	10%	\$ 15	10%	\$8.68	10%
Advertising	\$ 6	20%	\$ 14	20%	\$ 20	20%	\$ 30	20%	\$17.35	20%
	\$ 10		\$ 24		\$35.00		\$52.15		\$30.36	
Profit	\$ 11	37%	\$ 20	29%	\$ 30.00	30%	\$ 51.85	30%	\$28.41	33%

Ad Venue Breakdown

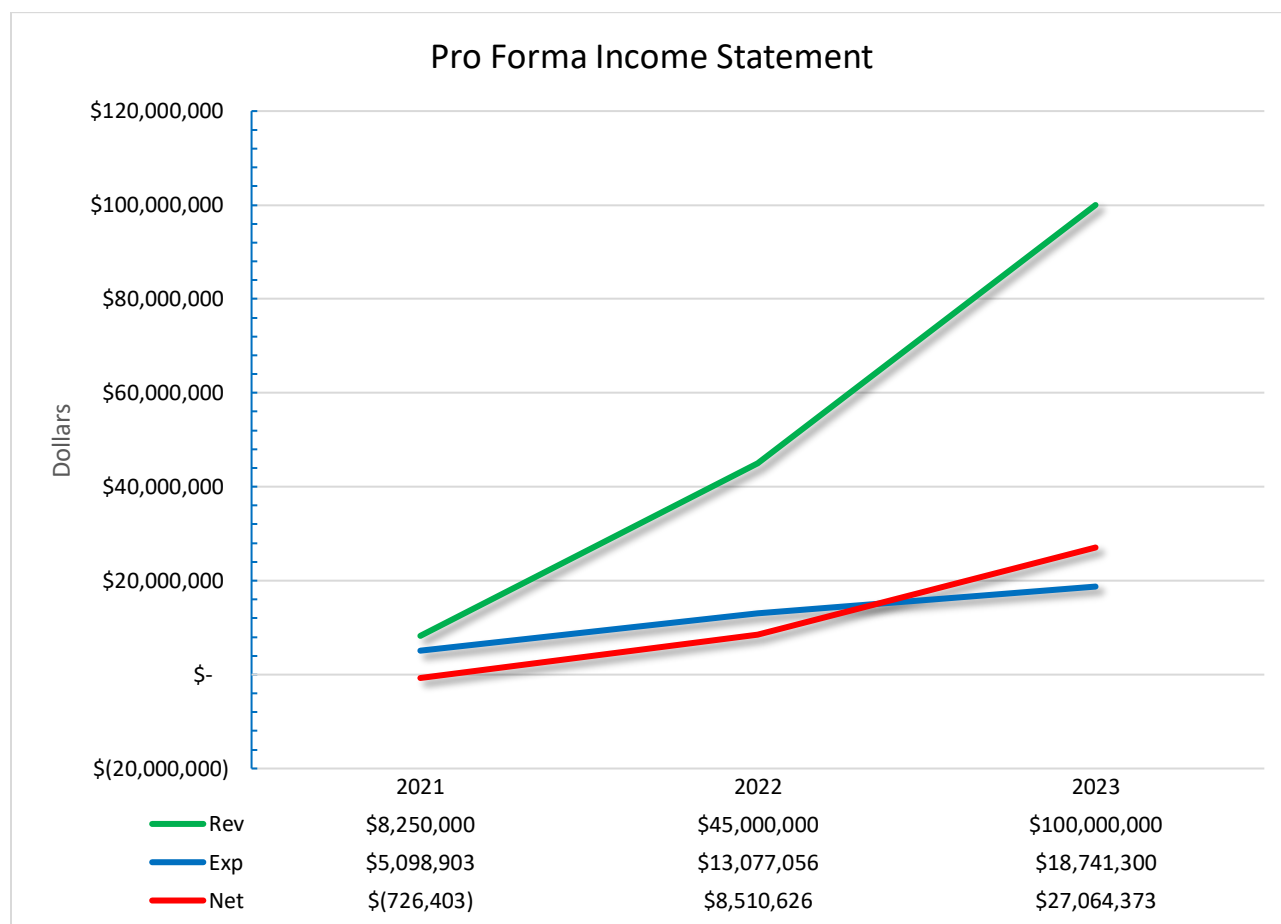
Detail		
FanBytes (tik Tok)	Monthly	Campaign
Cost	\$ 28,000.00	\$ 112,000.00
Impressions	4,000,000	16,000,000
College Marketing Group	Monthly	Campaign
Cost	\$ 10,000	\$ 40,000
Impressions	200,000	800,000
Facebook Network	Monthly	Campaign
Instagram Display		
CPM	\$ 3.48	\$ 3.48
Monthly Impressions	1,000,000	4,000,000
Cost	\$ 3,480	\$ 13,920
Facebook display		
CPM	\$ 6.54	\$ 6.54
Monthly Impressions	1,000,000	4,000,000
Cost	\$ 6,540	\$ 26,160
Social Media Spend		\$ 192,080.00
Impressions		24,800,000
Blended CPM		\$ 7.75
Activations / Other		\$ 57,920
Total Ad Budget Phase I		\$ 250,000.00

Details on Spend (forecast)

	NOTE OFFERING			REGULATION A OFFERING							
INV Cap	\$ 500,000	\$ 500,000	\$ 500,000	\$1,000,000	\$1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Total	
Revenue (phase I)	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ 250,000						
Ad Phase II					\$ 500,000	\$ 1,000,000	\$ 1,500,000	\$ 2,000,000	\$ 2,500,000		
Total Revenue	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ 750,000	\$ 1,000,000	\$ 1,500,000	\$ 2,000,000	\$ 2,500,000	\$ 8,250,000	
Cost of Goods Sold (COGS)	\$ -	\$ -	\$ 117,500	\$ 117,500	\$ 352,500	\$ 470,000	\$ 705,000	\$ 940,000	\$ 1,175,000	\$ 3,877,500	
Gross Profit	\$ -	\$ -	\$ 132,500	\$ 132,500	\$ 397,500	\$ 530,000	\$ 795,000	\$ 1,060,000	\$ 1,325,000	\$ 4,372,500	
Expenses											
Marketing, Advertising, Promotion											
Product Advertising	\$ 62,500	\$ 62,500	\$ 62,500	\$ 62,500	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,750,000	
Investor Relations	\$ 25,000	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 375,000	
Public Relations	\$ 5,000	\$ 5,000	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 75,000	
Reg A Marketing			\$ 35,714	\$ 35,714	\$ 35,714	\$ 35,714	\$ 35,714	\$ 35,714	\$ 35,714	\$ 250,000	
Total MAP	\$ 92,500	\$ 92,500	\$ 128,214	\$ 158,214	\$ 595,714	\$ 595,714	\$ 595,714	\$ 595,714	\$ 595,714	\$ 3,450,000	
General & Administrative											
Total GSA	\$ 48,267	\$ 73,267	\$ 74,767	\$ 52,267	\$ 167,567	\$ 167,567	\$ 167,567	\$ 167,567	\$ 167,567	\$ 1,086,403	
Research & Development											
Earphone Development	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	
Molds	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	
Certifications	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	
Retool Classic	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
Studio Pro	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	
New Product Development	\$ -	\$ -	\$ 12,500	\$ 12,500	\$ 37,500	\$ 50,000	\$ 75,000	\$ 100,000	\$ 125,000	\$ 412,500	
Total R&D	\$ 15,000	\$ 90,000	\$ 57,500	\$ 12,500	\$ 37,500	\$ 50,000	\$ 75,000	\$ 100,000	\$ 125,000	\$ 562,500	
Total Expenses	\$ 155,767	\$ 255,767	\$ 260,481	\$ 222,981	\$ 800,781	\$ 813,281	\$ 838,281	\$ 863,281	\$ 888,281	\$ 5,098,903	
Earning Before Tax	\$ (155,767)	\$ (255,767)	\$ (127,981)	\$ (90,481)	\$ (403,281)	\$ (283,281)	\$ (43,281)	\$ 196,719	\$ 436,719	\$ (726,403)	

Pro Forma Income Summary

Exeo Entertainment, Inc.			
Pro Forma Income Statement			
	2021	2022	2023
Revenue	\$ 8,250,000	\$ 45,000,000	\$ 100,000,000
Cost of Goods Sold (COGS)	\$ 3,877,500	\$ 21,150,000	\$ 47,000,000
Gross Profit	\$ 4,372,500	\$ 23,850,000	\$ 53,000,000
Expenses			
Marketing, Advertising, Promotion	\$ 3,450,000	\$ 6,922,856	\$ 10,500,000
General & Administrative	\$ 1,086,403	\$ 3,904,200	\$ 5,741,300
Research & Development	\$ 562,500	\$ 2,250,000	\$ 2,500,000
Total Expenses	\$ 5,098,903	\$ 13,077,056	\$ 18,741,300
Earning Before Tax	\$ (726,403)	\$ 10,772,944	\$ 34,258,700
Taxes		\$ 2,262,318	\$ 7,194,327
Net Earnings	\$ (726,403)	\$ 8,510,626	\$ 27,064,373



Summary

Exeo Entertainment, Inc. is offering up to \$1,500,000 in convertible promissory notes through Officers and Directors. We do not use third party finders. We pay no commissions. We have fully developed products and a clearly defined strategy to saturate the Gen Z demographic. We operate in the 25 billion dollar a year headphone market where the average consumer has four pairs of headphones and purchases a new pair every six months.

This offering provides the proceeds to launch Krankz Audio. We can talk about the merits of Krankz until we are blue in the face, but at the end of the day we are not going to sell a lot of units if the market doesn't know we exist. Awareness and sustainable revenue growth are the goals. We are also committed to increasing awareness in our stock and communicating developments to the investing public on a consistent basis.

We believe our forecasts are conservative and represent achievable numbers. We believe Krankz Audio is a \$100,000,000 brand.

For additional information see:

Corporate Website: www.exeoent.com

Brand Site: www.krankzaudio.com

Facebook: <https://www.facebook.com/krankzaudio>

<https://www.facebook.com/ExeoEntertainment>

Twitter: <https://twitter.com/KrankzAudio>

Instagram: <https://www.instagram.com/krankzaudio/>

Exeo Entertainment, Inc.
4478 Wagon Trail Ave. Las Vegas, NV 89118
702-361-3188 Ext 11

Scott Amaral
CEO

THIS CONVERTIBLE PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE HOLDER SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

CONVERTIBLE PROMISSORY NOTE

For value received **Exeo Entertainment, Inc., A Nevada Corporation** (the “*Company*”), promises to pay to [REDACTED] or its assigns (“*Holder*”) the principal sum of \$ [REDACTED] together with accrued and unpaid interest thereon, each due and payable on the date and in the manner set forth below.

This convertible promissory note (the “*Note*”) is issued as part of a series of similar convertible promissory notes (collectively, the “*Notes*”) pursuant to the terms of that certain Convertible Promissory Note Purchase Agreement (as amended, the “*Agreement*”) dated as of [REDACTED], 2021 to the persons and entities listed on the Schedule of Purchasers attached to the Agreement (collectively, the “*Holder*s”). Capitalized terms used herein without definition shall have the meanings given to such terms in the Agreement.

1. Repayment. All payments of interest and principal shall be in lawful money of the United States of America and shall be made pro rata among all Holders. All payments shall be applied first to accrued interest, and thereafter to principal. The outstanding principal amount of the Loan shall be due and payable on the later of 24 months from the date of execution and funding.

2. Interest Rate. The Company promises to pay simple interest on the outstanding principal amount hereof from the date hereof until payment in full, which interest shall be payable at the rate of 10% per annum or the maximum rate permissible by law, whichever is less. Interest shall be due and payable on the Maturity Date and shall be calculated on the basis of a 365-day year for the actual number of days elapsed.

3. Conversion; Repayment Premium Upon Sale of the Company.

(a) In the event that the Company issues and sells shares of its Equity Securities to investors (the “*Investors*”) on or before the date of the repayment in full of this Note in an equity financing resulting in gross proceeds to the Company of at least \$10,000,000 (including the conversion of the Notes and other debt) (a “*Qualified Financing*”), then the outstanding principal balance of this Note shall automatically convert in whole without any further action by the Holder into such Equity Securities at a conversion price equal to the lesser of (i) 50% of the per share price paid by the Investors [or (ii) a 50 percent discount to the last ten day closing price as quoted and determined by OTC markets. Any unpaid accrued interest on this Note shall be converted into Equity Securities on the same terms as the principal of the Notes.

(b) In the event that a Qualified Financing is not consummated prior to the Maturity Date, then, at the election of the Requisite Holders made at least five days prior to the Maturity Date, effective upon the Maturity Date, the outstanding principal balance and any unpaid accrued interest under this Note and each of the other Notes shall be converted into shares of Common Stock of the Company at a conversion price equal to a 50 percent discount (.50) to the last 10-day average closing price as quoted on OTC Markets.

(c) Note holders shall be subject to a forced conversion in the even the underlying shares of common stock, which this note is convertible into, trades in excess of 2.00 a share for a minimum of 20 days. No notice shall be required. In the event noteholders have held the stock for more than 12 months, or met other conditions of rule 144, notes shall be converted into free trading shares of common stock.

(d) If, after aggregation, the conversion of this Note would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then current fair market value of one share of the class and series of capital stock into which this Note has converted by such fraction.

(e) Notwithstanding any provision of this Note to the contrary, in the event that the Company consummates a Sale of the Company (as defined below) prior to the conversion or repayment in full of this Note, (i) the Company will give the Holder at least five days prior written notice of the anticipated closing date of such Sale of the Company and (ii) at the closing of such Sale of the Company, in lieu of the principal and interest that would otherwise be payable on the Maturity Date, the Company will pay the Holder an aggregate amount equal to one and one half times the aggregate amount of principal and interest then outstanding under this Note in full satisfaction of the Company's obligations under this Note.

(f) For purposes of this Note:

(i) "***Sale of the Company***" shall mean (i) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the stockholders of the Company immediately prior to such consolidation, merger or reorganization, continue to hold at least a majority of the voting power of the surviving entity in substantially the same proportions (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization; (ii) any transaction or series of related transactions to which the Company is a party in which in excess of 50% of the Company's voting power is transferred; *provided, however*, that a Sale of the Company shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof; or (iii) a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

(ii) "***Equity Securities***" shall mean the Company's Preferred Stock or any securities conferring the right to purchase the Company's Preferred Stock or securities convertible into, or exchangeable for (with or without additional consideration), the Company's Preferred Stock or Common Voting Stock as offered, except that such defined term shall not include any security (x) granted, issued and/or sold by the Company to any employee, director or

consultant in such capacity or (y) issued upon the conversion or exercise of any option or warrant outstanding as of the date of this Note.

4. Maturity. Unless this Note has been previously converted in accordance with the terms of Sections 3(a) through (c) above or satisfied in accordance with the terms of Section 3(d) above, the entire outstanding principal balance and all unpaid accrued interest shall become fully due and payable on the Maturity Date.

5. Expenses. In the event of any default hereunder, the Company shall pay all reasonable attorneys' fees and court costs incurred by Holder in enforcing and collecting this Note.

6. Prepayment. The Company may not prepay this Note prior to the Maturity Date without written consent of the majority of noteholders.

7. Default. If there shall be any Event of Default hereunder, at the option and upon the declaration of the Requisite Holders and upon written notice to the Company (which election and notice shall not be required in the case of an Event of Default under Section 7(c) or 7(d)), this Note shall accelerate and all principal and unpaid accrued interest shall become due and payable. The occurrence of any one or more of the following shall constitute an Event of Default:

(a) The Company fails to pay timely any of the principal amount due under this Note on the date the same becomes due and payable or any accrued interest or other amounts due under this Note on the date the same becomes due and payable;

(b) The Company shall default in its performance of any covenant under the Agreement or any Note;

(c) The Company files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing; or

(d) An involuntary petition is filed against the Company (unless such petition is dismissed or discharged within 60 days under any bankruptcy statute now or hereafter in effect, or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of the Company.

8. Waiver. The Company hereby waives demand, notice, presentment, protest and notice of dishonor.

9. Governing Law. This Note shall be governed by and construed under the laws of the State of Nevada, as applied to agreements among Nevada residents, made and to be performed entirely within the State of Nevada, without giving effect to conflicts of laws principles.

10. Parity with Other Notes. The Company's repayment obligation to the Holder under this Note shall be on parity with the Company's obligation to repay all Notes issued

pursuant to the Agreement. In the event that the Company is obligated to repay the Notes and does not have sufficient funds to repay all the Notes in full, payment shall be made to the Holders of the Notes on a *pro rata* basis. The preceding sentence shall not, however, relieve the Company of its obligations to the Holder hereunder.

11. Modification; Waiver. Any term of this Note may be amended or waived with the written consent of the Company and the Requisite Holders.

12. Assignment. This Note may be transferred only upon its surrender to the Company for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Company. Thereupon, this Note shall be reissued to, and registered in the name of, the transferee, or a new Note for like principal amount and interest shall be issued to, and registered in the name of, the transferee. Interest and principal shall be paid solely to the registered holder of this Note. Such payment shall constitute full discharge of the Company's obligation to pay such interest and principal.

Exeo Entertainment, Inc.

By: _____

Name:

Title:

Holder: _____

Principal Amount of Note: _____

Date of Note: _____

EXEO ENTERTAINMENT, INC.

a Nevada Corporation

\$1,500,000

Convertible Note

The Company is offering a \$1,000,000 Convertible Note. The note shall be convertible at a 50 percent discount to the 10-day average closing price, as quoted on OTC Markets, for the 10 days immediately preceding conversion. Notes may be converted into shares of common stock any time after 12 months but prior to maturity

FOR VERIFIED ACCREDITED INVESTORS ONLY

To Subscribe

1. Please execute the Subscription Agreement and return to EXEO ENTERTAINMENT, INC.
2. Please execute the Accredited Investor Questionnaire and return to EXEO ENTERTAINMENT, INC.
3. Please make check payable to: **EXEO ENTERTAINMENT, INC.**
4. Please mail subscription documents and checks to:

EXEO ENTERTAINMENT, INC.

Wire Transfer Instructions

Wire transfer to: Wells Fargo Bank, N.A

Routing Number: 121000248

Account Number: 6224665569

CHIPS Participant: ABA0407

For credit to: EXEO ENTERTAINMENT, INC.

By Order of: [Indicate Name of Person or Entity
Wiring Funds] Reference: EXEO
ENTERTAINMENT, INC.

SUBSCRIPTION AGREEMENT

Name of Investor: _____

(Print)

EXEO ENTERTAINMENT, INC.

EXEO ENTERTAINMENT, INC. – \$ _____ the amount of
the Convertible notenot to exceed \$1,500,000

Gentlemen:

1. **Subscription.** The undersigned hereby tenders this subscription and applies to purchase \$ _____ of a Convertible Promissory Note. The undersigned further sets forth statements upon which you may rely to determine the suitability of the undersigned to purchase the Shares. The undersigned understands that the Convertible Note is available only to qualified accredited investors. In connection with this subscription, the undersigned represents and warrants that the personal, business and financial information contained in the Purchaser Questionnaire is complete and accurate and presents a true statement of the undersigned's financial condition.

2. **Representations and Understandings.** The undersigned hereby makes the following representations, warranties and agreements and confirms the following understandings:

(i) The undersigned is acquiring the note interest for investment purposes, for the undersigned's own account only, with no intention or view to distributing the note or any participation or interest therein.

(ii) The undersigned has received a copy of the company's materials, has reviewed it carefully, and has had an opportunity to question representatives of the Company and obtain such additional information concerning the Company as the undersigned requested.

(iii) The undersigned has sufficient experience in financial and business matters to be capable of utilizing such information to evaluate the merits and risks of the undersigned's investment, and to make an informed decision relating thereto; or the undersigned has utilized the services of a purchaser representative and together they have sufficient experience in financial and business matters that they are capable of utilizing such information to evaluate the merits and risks of the undersigned's investment, and to make an informed decision relating thereto.

(iv) The undersigned has evaluated the risks of this investment in the Company, including those risks particularly described in the company's materials, and has determined that the investment is suitable for him. The undersigned has adequate financial resources for an investment of this character, and at this time he could bear a complete loss of his investment. The undersigned understands that any projections which may be made are mere estimates and may not reflect the actual results of the Company's operations.

(v) The undersigned understands that the note is not being registered under the Securities Act of 1933, as amended (the "1933 Act") on the ground that the issuance thereof is exempt

under Section 4(2) of the 1933 Act and Rule 506(c) of Regulation D promulgated thereunder, and that reliance on such exemption is predicated in part on the truth and accuracy of the undersigned's representations and warranties, and those of the other purchasers of Shares.

(vi) The undersigned understands that the note is not being registered under the securities laws of certain states on the basis that the issuance thereof is exempt as an offer and sale not involving a public offering in such state. The undersigned understands that reliance on such exemptions is predicated in part on the truth and accuracy of the undersigned's representations and warranties and those of other purchasers of Shares. The undersigned covenants not to sell, transfer or otherwise dispose of a Share unless such Share has been registered under the applicable state securities laws, or an exemption from registration is available.

(vii) The undersigned (a) has a net worth (or joint net worth with the purchaser's spouse) of at least \$1,000,000 not including the value of the undersigned's primary residence, or (b) has an annual gross income in the last two years of at least \$200,000, and expected gross income in the current year of at least \$200,000 (or joint annual gross income with spouse of \$300,000), or (c) otherwise meets the requirements for an Accredited Investor as defined in Rule 501 of Regulation D promulgated under Section 4(a)(2) of the Securities Act of 1933, as amended, or (d) is the beneficiary of a fiduciary account, or, if the fiduciary of the account or other party is the donor of funds used by the fiduciary account to make this investment, then such donor, who meets the requirements of either (a), (b) or (c) above.

(viii) The undersigned has no need for any liquidity in his investment and is able to bear the economic risk of his investment for an indefinite period of time. The undersigned has been advised and is aware that:
(a) there is no public market for the Shares and it is not likely that any public market for the Shares will develop; (b) it may not be possible to liquidate the investment readily; (c) the undersigned must bear the economic risk of his investment in the Shares for an indefinite period of time because the Shares have not been registered under the 1933 Act and applicable state law or an exemption from such registration is available; (d) a legend as to the restrictions on transferability of the Shares referred to herein will be made on the document evidencing the Share, and (e) a notation in the appropriate records of the Company will be made with respect to any restrictions on transfer of Shares.

(ix) All contacts and contracts between the undersigned and the Company regarding the offer and sale to him of Shares have been made within the state indicated below his signature on the signature page of this Subscription Agreement and the undersigned is a resident of such state.

(x) The undersigned has relied solely upon independent investigations made by him or his purchaser representative with respect to the note subscribed for herein, and no oral or written representations have been made to the undersigned or relied upon by the undersigned.

The undersigned agrees not to transfer or assign this subscription or any interest therein.

The undersigned hereby acknowledges and agrees that, except as may be specifically provided herein, the undersigned is not entitled to withdraw, terminate or revoke this subscription.

(xiii) If the undersigned is a partnership, corporation or trust, it has been duly formed, is validly existing, has full power and authority to make this investment, and has not been formed for the

specific purpose of investing in the Shares. This Subscription Agreement and all other documents executed in connection with this subscription for Shares are valid, binding and enforceable agreements of the undersigned.

(xiv) The undersigned meets any additional suitability standards and/or financial requirements which may be required in the jurisdiction in which he resides or is purchasing in a fiduciary capacity for a person or account meeting such suitability standards and/or financial requirements and is not a minor.

3. **Indemnification.** The undersigned hereby agrees to indemnify and hold harmless the Company and all of its affiliates, attorneys, accountants, employees, officers, directors, Shareholders and agents from any liability, claims, costs, damages, losses or expenses incurred or sustained by them as a result of the undersigned's representations and warranties herein or in the Purchaser Questionnaire being untrue or inaccurate, or because of a breach of this agreement by the undersigned. The undersigned hereby further agrees that the provisions of Section 3 of this Subscription Agreement will survive the sale, transfer or any attempted sale or transfer of all or any portion of the Shares. The undersigned hereby grants to the Company the right to set off against any amounts payable by the

Company to the undersigned, for whatever reason, of any and all damages, costs and expenses (including, but not limited to, reasonable attorney's fees) which are incurred by the Company or any of its affiliates as a result of matters for which the Company is indemnified pursuant to Section 3 of this Subscription Agreement.

4. **Taxpayer Identification Number/Backup Withholding Certification.** Unless a subscriber indicates to the contrary on the Subscription Agreement, he will certify that his taxpayer identification number is correct and, if not a corporation, IRA, Keogh, or Qualified Trust (as to which there would be no withholding), he is not subject to backup withholding on interest or dividends. If the subscriber does not provide a taxpayer identification number certified to be correct or does not make the certification that the subscriber is not subject to backup withholding, then the subscriber may be subject to thirty-one percent (31%) withholding on interest or dividends paid to the holder of the Shares.

5. **Governing Law.** This Subscription Agreement will be governed by and construed in accordance with the laws of the State of Nevada. The venue for any legal action under this Agreement will be in the proper forum in the County of Clark, State of Nevada.

6. **Acknowledgement of Risks Factors.** The undersigned has carefully reviewed and thoroughly understands the risks associated with an investment in the Shares as described in the Memorandum. The undersigned acknowledges that this investment entails significant risks.

7. **Dispute Resolution.** Any controversy or claim (a "Dispute") arising from or in connection with the Subscription Documents, an alleged breach of these Subscription Documents, an interpretation of the Subscription Documents, or the relationship of the parties under the Subscription Documents, whether based on contract, tort, common law, equity, statute, regulation, order or otherwise, shall be resolved as follows:

7.1 First, upon written request of any party to the Dispute, each party to the Dispute will appoint a designated representative. The task of the designated representatives will be to meet for the purpose of endeavoring to resolve such Dispute. The designated representatives shall have the authority to make binding decisions and/or commitments on behalf of each person they represent. The designated representatives shall meet as often as they reasonably deem necessary to resolve the Dispute without the necessity of any formal proceeding. Unless delay would impair a party's rights under applicable statutes of limitations, or unless a party is seeking equitable relief, which it may do without delay and without following the procedures of Section 7.1 herein, formal proceedings (including arbitration) for the resolution of a Dispute may not be commenced

until the earlier of: (i) the designated representatives concluding in good faith that amicable resolution through continued negotiation of the matter does not appear likely or (ii) the expiration of the thirty (30) day period immediately following the initial request to negotiate the Dispute.

- 7.2 Failing resolution pursuant to Section 7.1 above, the Dispute shall be finally settled by binding arbitration under the Commercial Arbitration Rules established by the American Arbitration Association then in effect as follows: Any party may initiate the arbitration following failure of informal resolution of the Dispute pursuant to this Section by filing a demand for arbitration with the American Arbitration Association, and simultaneously delivering a copy of such demand to the other parties involved in the Dispute. Unless otherwise agreed by the parties, all such claims shall be arbitrated in Clark County, Nevada, by a single arbitrator, acting under the Commercial Rules of the American Arbitration Association except as modified herein, and the arbitrator shall be a business attorney in practice for at least fifteen (15) years, with substantial experience in the negotiating and drafting of business acquisition agreements and versed in Nevada law. Unless the parties agree to a mutually acceptable arbitrator within thirty (30) days of a demand for arbitration, the arbitrator shall be selected by the American Arbitration Association. The arbitrator shall be bound by the limitations of liability and other provisions of this Agreement, including the governing law provision. It is the intent of the parties that the arbitration shall be conducted in an efficient, economical and expeditious manner. Accordingly, the parties shall meet and/or appear telephonically at a pre-hearing conference as promptly as practicable after selection of the arbitrator to establish the scope and extent of all discovery and the schedule of the arbitration. Discovery shall be allowed but limited to that reasonably necessary to resolve the disputed issues, in the judgment of the arbitrator. If any party wishes to take discovery, including document productions, interrogatories or depositions, a request to do so must be submitted to the arbitrator in accordance with the procedures determined at the pre-hearing conference, all of which must be completed within twenty (20) Business Days of the arbitrator's directive unless extended for good cause by the arbitrator. The decision of the arbitrator as to the validity and amount of Damages, and/or any award of costs and fees to the prevailing party thereafter, shall be binding and conclusive upon the parties to this Agreement. The arbitrator shall issue such decision, including a brief statement of the reasons for the award and the calculation of damages awarded, within twenty-five (25) Business Days after completion of the arbitration hearing and deliver such decision to the parties involved in the Dispute. Judgment upon any award rendered by the arbitrator may be entered in any court having jurisdiction. The non-prevailing parties shall pay the reasonable expenses (including attorneys' fees) of the prevailing party and the arbitrator fees and administrative expenses associated with the arbitration, which shall be adjudicated by the arbitrator following the decision on the merits.
- 7.3 The following matters are excluded from the Dispute resolution requirements of this Section: (a) a crossclaim pursuant to an indemnification obligation set forth in this Agreement in a proceeding filed by a third party, and (b) any formal proceedings commenced to avoid expiration of any applicable limitations period, to preserve a superior position with respect to other creditors or to seek temporary, preliminary or permanent injunctive or equitable relief. The filing of a court action to enable the recording of a notice of pending action, receivership, or injunction shall not constitute a violation of this Section.
- 7.4 If the arbitrator makes the determination that a Dispute cannot be fully or finally resolved pursuant to the provisions of Section 7.1, then the parties may seek resolution by litigation or other proceedings.

I hereby subscribe to purchase the dollar amount submitted with this Subscription Agreement as payment for purchase of the Convertible Note in the amount of \$_____.

Registration Information: Print name(s) in which the Convertible Note is to be registered:

SUBSCRIBER NAME (1): _____

Social Security or similar tax identification number _____

Residence Address: _____

City, State, Zip: _____

Mailing Address: _____

City, State, Zip: _____

Email Address: _____

SUBSCRIBER NAME (2): _____

Social Security or similar tax identification number _____

Residence Address: _____

City, State, Zip: _____

Mailing Address: _____

City, State, Zip: _____

Email Address: _____

Name in which the Note is to be held/titled:

MANNER IN WHICH TITLE IS TO BE HELD: Please initial.

Initial 1 Initial 2

- | | | | |
|-----------|-------|-------|--|
| A. | _____ | _____ | Husband & Wife, as community property |
| B. | _____ | _____ | Joint Tenancy With Right of Survivorship* |
| C. | _____ | _____ | Tenants in Common* |
| D. | _____ | | Individual |
| E. | _____ | _____ | Corporate or Fund Owners** (Documents accompanied) |
| F. | _____ | _____ | Partnership* (Documents accompanied) |

- G. _____ Trust* (Documents accompanied)
- H. _____ Pension or Profit-Sharing Plan
- I. _____ Other: Please Describe _____

* Initials of all parties required
 ** In the case of a Fund, state name of all partners.

PAYMENT INSTRUCTIONS

Make checks payable to EXEO ENTERTAINMENT, INC.

MAILING INSTRUCTIONS

EXEO ENTERTAINMENT, INC.
 4478 Wagon Trail Ave
 Las Vegas, NV 89118

WIRE TRANSFER INSTRUCTIONS

Contact your Exeo Entertainment, Inc. representative for wire instructions.

NOTE: BY SIGNING THIS SUBSCRIPTION AGREEMENT AND UPON ACCEPTANCE THEREOF BY THE COMPANY, I AM ENTERING INTO AN AGREEMENT AND AGREEING TO PURCHASE CONVERTIBLE NOTE

For Individual Retirement
 Accounts: Read and approved:

I declare under penalty of perjury that the foregoing is true and correct. The undersigned has (have) executed this Subscription Agreement on this _____ day of __, 20_____, at _____.

(1) _____ (2) _____ Print
 Name If Signing for Entity: _____ Title: _____

NOTE: If the Convertible Note is to be registered in more than one name, all subscribers must sign.

SUBSCRIPTION ACCEPTED:

By: EXEO ENTERTAINMENT, INC.,
 a Nevada corporation

By: _____ Dated: _____ 20____

Accredited Investor Questionnaire

EXEO ENTERTAINMENT, INC., a Nevada corporation

In connection with my subscription Purchase of the Convertible Note offered by EXEO ENTERTAINMENT, INC. a Nevada corporation (the "Company"), I hereby represent and warrant to, and covenant with, the Company as follows:

1. I am an Accredited Investor, as defined in Rule 501 of Regulation D, as follows (check and initial applicable line):

Initial 1 Initial 2

- _____ **A.** Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(13) of the Act; any investment company registered pursuant to the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration pursuant to Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- _____ **B.** Any private business development company as defined in Section 202(a)(2) of the Investment Advisers Act of 1940;
- _____ **C.** Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or Company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000.00;
- _____ **D.** Any director, executive officer, manager, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, manager or general partner of a general partner or manager of that issuer;
- _____ **E.** Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000 (the value of a natural person's primary residence is not included in the calculation of that net worth);

_____ **F.** Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000.00 in each of those years and has a reasonable expectation of having the same income amount in the current year;

_____ **G.** Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); or

_____ **H.** Any entity in which all of the equity owners are accredited investors.

2. The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company

Note Holder:

_____ Date: _____, 2021
Signature

EXEO ENTERTAINMENT, INC.

CONVERTIBLE NOTE PURCHASE AGREEMENT

This Convertible Note Purchase Agreement (the “Agreement”) is made as of March 8, 2021 by and between Exeo Entertainment, Inc. A Nevada Corporation (the “Company”) and each of the purchasers (each a “Purchaser” and together the “Purchasers”). The Company desires to issue and sell, and each Purchaser desires to purchase, a convertible promissory note in substantially the form attached to this Agreement as Exhibit B (the “Note”) which shall be convertible on the terms stated therein into equity securities of the Company. The Notes and the equity securities issuable upon conversion thereof (and the securities issuable upon conversion of such equity securities) are collectively referred to herein as the “Securities.” In consideration of the mutual promises contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties to this Agreement agree as follows:

1. Purchase and Sale of Notes. (a) Sale and Issuance of Notes. Subject to the terms and conditions of this Agreement, each Purchaser agrees to purchase at the Closing (as defined below), and the Company agrees to sell and issue to each Purchaser, a Note in the principal amount set forth on the note. The purchase price of each Note shall be equal to 100% of the principal amount of such Note. The Company’s agreements with each of the Purchasers are separate agreements, and the sales of the Notes to each of the Purchasers are separate sales. The Company will offer to sell Notes totaling up to \$1,500,000 principal amount, at its discretion from time to time during the 180 day period following the date hereof. The notes will bear interest at the greater of 10% per annum or the maximum rate allowable by law.

Closing and Delivery: The closing of each purchase and sale of Notes hereunder shall occur at such time and place as the Company and the Purchaser(s) purchasing Notes at such closing may agree upon. As used herein, the term “Closing” refers to each such closing and the term “Initial Closing” refers to the first such closing. (ii) At each Closing, the Company shall deliver to each Purchaser the Note to be purchased by such Purchaser against (1) payment of the purchase price therefor by check payable to the Company or by wire transfer to a bank designated by the Company, and (2) delivery of counterpart signature pages to this Agreement. (iii) Until the earlier of (A) such time as the aggregate amount of principal indebtedness evidenced by the Notes equals a total of \$1,500,000 or (B) the date 180 days from the date of the Initial Closing or (C) a Qualified Financing (as that term is defined in the Notes), the Company may sell additional Notes to one or more persons or entities as determined by the Company in its sole discretion. All such sales shall be made on the terms and conditions set forth in this Agreement. For purposes of this Agreement, and all other agreements contemplated hereby, any additional purchaser so acquiring Notes shall be deemed to be a “Purchaser” for purposes of this Agreement, and any notes so acquired such additional purchaser shall be deemed to be “Notes and “Securities” as applicable.

Other Agreements. (a) Conversion Agreements. Each Purchaser understands and agrees that the conversion of the Notes into equity securities of the Company will require such Purchaser’s execution of certain agreements relating to the purchase and sale of such securities as well as any rights relating to such equity securities.

Use of Proceeds. The Company shall use the proceeds from the sale of the Notes to fund the operations of the Company including but not limited to legal, marketing, equipment acquisition, equipment leasing, office and laboratory leaseholds, and general operating

expenses. The Company will not use the proceeds of the Notes for the purchase or real property, nor for any personal, family or household purpose.

Representations and Warranties of the Company. The Company hereby represents and warrants to each Purchaser as of the Initial Closing as follows: (a) Organization and Standing. The Company is a corporation duly organized and existing under, the laws of the State of Nevada and is in good standing under such laws.

Corporate Power. The Company has all requisite legal and corporate power to execute and deliver this Agreement, to sell and issue (or reserve for issuance) the Securities hereunder and to carry out and perform its obligations under the terms of this Agreement.

Authorization. All corporate action on the part of the Company, its officers, directors and stockholders necessary for the authorization, execution, delivery and performance of this Agreement by the Company, the authorization, sale, issuance and delivery of the Notes, and the performance of the Company's obligations hereunder has been taken. This Agreement and the Notes, when executed and delivered by the Company (and assuming due authorization, execution and delivery by each of the Purchasers), shall constitute valid and binding obligations of the Company enforceable in accordance with their terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies. The shares of capital stock issuable upon conversion of the Notes, when issued in compliance with the provisions of this Agreement and the Notes, will be validly issued, fully paid and non-assessable, and will be free of any liens or encumbrances created by the Company, provided, however, that the Securities may be subject to restrictions on transfer under state and/or federal securities laws as set forth herein or otherwise required at the time a transfer is proposed.

Compliance with Other Instruments. The Company is not in violation or default of (a) any provisions of its certificate of incorporation or bylaws, (b) of any instrument, judgment, order, writ, decree or contract to which it is a party or by which it is bound, or (c) of any provision of federal or state statute, rule or regulation applicable to the Company, the violation of which could have a Material Adverse Effect. The execution, delivery and performance of this Agreement and the Notes and the consummation of the transactions contemplated hereby or thereby will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either a default under any such provision, instrument, judgment, order, writ, decree or contract or an event which results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, impairment, forfeiture or nonrenewal of any material permit, license, authorization or approval applicable to the Company, its prospects, business or operations, or any of its assets or properties.

Compliance with Laws. The Company is not in violation in any material respect of any applicable statute, rule, regulation, order or restriction of any domestic or foreign government or any instrumentality or agency thereof in respect of the conduct of its business or the ownership of its properties.

Offering. Assuming the accuracy of the representations and warranties of the Purchasers contained in herein, the offer, issue, and sale of the Notes are and will be exempt from the registration and prospectus delivery requirements of the Securities Act of 1933, as amended (the "Securities Act"), and have been registered or qualified (or are exempt from registration

and qualification) under the registration, permit, or qualification requirements of all applicable state securities laws.

Representations and Warranties of the Purchasers. Each Purchaser hereby represents and warrants to the Company that: (a) Authorization. Such Purchaser has full power and authority to enter into this Agreement. This Agreement, when executed and delivered by the Purchaser, will constitute a valid and legally binding obligation of the Purchaser, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of a specific performance, injunctive relief, or other equitable remedies. (b) Purchase Entirely for Own Account. This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Securities to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to any of the Securities. The Purchaser has not been formed for the specific purpose of acquiring any of the Securities. (c) Knowledge; Risks. The Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Securities. The Purchaser acknowledges that its investment in the Company is highly speculative and entails a substantial degree of risk and the Purchaser is in a position to lose the entire amount of such investment. The Purchaser has carefully considered the risks and uncertainties inherent in an investment in the Company before subscribing for the Securities. (d) Restricted Securities. The Purchaser understands that the Securities have not been, and will not be, registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser understands that the Securities are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Securities indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser acknowledges that the Company has no obligation to register or qualify the Securities for resale. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Securities, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy. (e) No Public Market. The Purchaser understands that no public market now exists for any of the securities issued by the Company, that the Company has made no assurances that a public market will ever exist for the Securities. (f) Legends. The Purchaser understands that the Securities, and any securities issued in respect thereof or exchanged therefor, may bear one or all of the following legends:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.”

Any legend required by the Blue-Sky laws of any state to the extent such laws are applicable to the shares represented by the certificate so stated in the legend. (g) Accredited Investor; Foreign Investor. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. If Purchaser is not a United States person (as defined by Section 7701(a)(30) of the Code), Purchaser hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Securities. Purchaser's subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of Purchaser's jurisdiction. 5. Miscellaneous. (a) Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors, permitted assigns, heirs, executors and administrators and other legal representatives.

Notwithstanding the foregoing, no Purchaser may assign this Agreement without the prior written consent of the Company. (b) Governing Law. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Nevada, without giving effect to principles of conflicts of law. (c) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

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. (e) Notices. Any notice required or permitted by this Agreement or the Note shall be in writing and shall be deemed sufficient upon receipt, when delivered personally or by courier, electronic transmission, overnight delivery service or confirmed facsimile, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, if such notice is addressed to the party to be notified at such party's address or facsimile number as set forth below or as subsequently modified by written notice. (f) Finder's Fee. Each party represents that it neither is nor will be

obligated for any finder's fee or commission in connection with this transaction. Each Purchaser agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finder's fee (and the costs and expenses of defending against

such liability or asserted liability) for which each Purchaser or any of its officers, employees, or representatives is responsible. The Company agrees to indemnify and hold harmless each Purchaser from any liability for any commission or compensation in the nature of a finder's fee (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible. (g) Amendments and Waivers. Any term of this Agreement and of the Notes may be amended or waived only with the written consent of the Company and of the Purchasers holding at least a majority of the total principal amount of the Notes and the Prior Notes outstanding at the time. Any amendment or waiver effected in accordance with this Section 5(g) shall be binding upon each Purchaser and each transferee of the Notes. (h) Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith, in order to maintain the economic position enjoyed by each party as close as possible to that under the provision rendered unenforceable. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms. (i) 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 existing between the parties hereto are expressly canceled. (j) Corporate Securities Law.

(k) Stockholders, Officers and Directors Not Liable. In no event shall any stockholder, officer or director of the Company be liable for any amounts due or payable pursuant to the Notes.

Conversion: The purchaser shall be entitled to convert the note into Common Voting Shares of the company. The conversion shall be based upon a 50 percent discount to market per common share.

Loss of Note. Upon receipt by the Company of evidence satisfactory to it of the loss, theft, destruction or mutilation of any Note or any Note exchanged for such Note, and indemnity satisfactory to the Company (in case of loss, theft or destruction) or surrender and cancellation of such Note (in case of mutilation), the Company will make and deliver to Purchaser in lieu of such Note a new Note of like tenor. (m) Legal Fees and Expense. Each party agrees to pay its own

fees and expenses in connection with the transactions contemplated hereby. (n) Exculpation Among Purchasers. Each Purchaser acknowledges that it is not relying upon any person, firm or corporation, other than the Company and its officers and directors, in making its investment or decision to invest in the Company. Each Purchaser agrees that no Purchaser nor the respective controlling persons, officers, directors, partners, agents, or employees of any Purchaser shall be liable for any action heretofore or hereafter taken or omitted to be taken by any of them in connection with the Securities. (o) Lock-Up Period. Each Purchaser hereby agrees that such Purchaser shall not sell, offer, pledge, contract to sell, grant any option or contract to purchase, purchase any option or contract to sell, grant any right or warrant to purchase, lend or otherwise transfer or encumber, directly or indirectly, any Securities or other securities of the Company, nor shall such Purchaser enter into any swap, hedging or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Securities

or other securities of the Company, during the period from the filing of the first registration statement of the Company filed under the Securities Act, that includes securities to be sold on behalf of the Company to the public in an underwritten public offering under the Securities Act through the end of the 180-day period following the effective date of such registration statement (or such other period as may be requested by the Company or the underwriters to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto).

Each Purchaser further agrees, if so requested by the Company or any representative of its underwriters, to enter into such underwriter's standard form of "lockup" or "market standoff" agreement in a form satisfactory to the Company and such underwriter.

The parties have executed this Convertible Note Purchase Agreement as of the date first written above.

COMPANY:

Exeo Entertainment, Inc.

By: _____

Name:

Title:

Agreed and Acknowledged

Note Purchaser:

Signature: _____

Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____