DIRECT SALES RETAILER, PEEKABOO BEANS, LAUNCHES WINTER COLLECTION AND CLOSING OF PRIVATE PLACEMENT TRANCHE

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Vancouver, British Columbia - October 18, 2016 - Peekaboo Beans Inc. (TSX.V: PBB) ("**Peekaboo Beans**" or the "**Company**") is pleased to announce the sales launch of its Winter 2016 playwear collection. Peekaboo achieved record monthly sales of approximately $550,000 during the sales launch for its Fall 2016 Collection in August 2016. The launch of the Winter 2016 Collection coincides with the Company's expansion of its direct-sales network into Ontario, Nova Scotia, New Brunswick, Newfoundland and Saskatchewan. Peekaboo Beans is celebrating its 10-year anniversary and the growth of its direct-sales network ("Stylists") to over 1,000 Stylists predominately in British Columbia and Alberta.

"Direct sales is as revolutionary as ecommerce and provides an opportunity for women to earn meaningful income and not sacrifice time with their families selling children apparel that they love and believe in.", according to Mrs. Traci Costa, CEO of Peekaboo. "Our expansion into new markets will continue to fuel the Company's double-digit sales and Stylist growth".

<u>Private Placement and Change of Year end</u>

The Company also announces that it has completed an additional tranche of its previously announced private placement financing (the "**Unit Financing**") of up to 2,400,000 units (each, a **Unit**). Peekaboo issued a total of 98,000 Units for aggregate gross proceeds of $102,900 under the additional tranche, bringing the aggregate gross proceeds raised pursuant to the Unit Financing to a total of $1,153,368 to date.

Each Unit consists of one common share of the Company (each, a "**Common Share**") and one warrant to purchase one Common Share (each, a "**Warrant**") at a price of $1.25 per Common Share for a period of one year from the closing date. The securities issued are subject to a four-month hold period.

The Company paid finder's fees in connection with the additional tranche comprised of an aggregate cash fee of $7,203 (equal to 7% of the gross proceeds raised from subscriptions introduced by such finder) and 9,800 Warrants (equal to 10% of the number of Units sold to subscribers introduced by such finder). Mackie Research Capital Corporation, an arm's length party to Peekaboo, acted as a finder for such additional tranche.

The aggregate gross proceeds from the Unit Financing are intended to be used to fund the production-to-payment cycle associated with direct-sales, to invest in training and recruitment for Canadian expansion and for working capital and general corporate purposes. The Company may complete additional tranches pursuant to the Unit Financing.

The Company also announces that, in connection with its recently completed reverse takeover transaction, it has changed its financial year-end from December 31 to September 30 as a step to streamline reporting and to bring more consistency and fiscal period alignment with its wholly-owned subsidiary, Peekaboo Beans (Canada) Inc. A Notice of Change in Year-end has been filed with the Canadian Securities Regulatory Authorities, a copy of which is available under the Company's SEDAR profile at www.sedar.com.

About Peekaboo Beans

Peekaboo Beans Inc. is a direct-sales retailer of high-quality children's apparel. Our award winning brand and apparel promotes the importance of playtime over screen time, through thoughtful designs and custom developed fabrics. Through the direct-sales model, we train women to be entrepreneurs, build a business and generate income on their own terms. www.peekaboobeans.com.

Forward-Looking Information

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release may include forward-looking information that is subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward-looking, including statements with respect to anticipated use of proceeds from the Unit Financing and completion of additional tranches pursuant to the Unit Financing. Although the Company believes the expectations expressed in such forward-looking information are based on reasonable assumptions, such information is not a guarantee of future performance and actual results or developments may differ materially from those contained in forward-looking information. Factors that could cause actual results to differ materially from those in forward-looking information include market prices, successes of the operations of the Company, continued availability of capital and financing, general economic, market or business conditions and those risks contained in the Company's filing statement dated August 29, 2016, a copy of which is available on SEDAR at www.sedar.com. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.

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