



Peekaboo Beans Completes Shares for Debt Transaction

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VANCOUVER, BC – September 28, 2017-- Peekaboo Beans Inc. (“**Peekaboo Beans**” or the “**Company**”) (TSXV-BEAN), a direct-sales retailer of children’s apparel, is pleased to announce that it has completed its previously-announced debt conversion transaction with certain creditors of the Company at a deemed price of \$0.60 per Unit (defined below). The Company issued a total of 878,111 Units, in settlement of \$526,867.35 of debt (the “**Shares for Debt Transaction**”). The debt was converted on September 28, 2017 (the “**Conversion Date**”).

Each “**Unit**” consists of one common share in the capital of the Company (a “**Common Share**”) and one-half of one Common Share purchase warrant (each whole warrant, a “**Warrant**”) with each Warrant exercisable by the holder into one Common Share at a price of \$0.80 for a period of 24 months from the Conversion Date. The exercise period of each Warrant may be accelerated by the Company if at any time during the term of the Warrant the volume weighted average price of the Company’s Common Shares on the TSX Venture Exchange is equal to or greater than \$1.55 over a period of 10 consecutive trading days.

The issuance of the Units pursuant to the Shares for Debt Transaction has been approved by the TSX Venture Exchange. In accordance with applicable securities laws, all securities issued under the Shares for Debt Transaction, including securities issuable on exercise thereof, are subject to a hold period expiring four months and one day from the Conversion Date. It was previously announced that the Company would convert a total of \$719,817.35 of debt, however, the Company and one debtholder subsequently agreed to convert a lesser amount. All securities issued in the Shares for Debt Transaction, including securities issuable on exercise thereof, are subject to a hold period expiring four months and one day from the closing date.

The Company is also pleased to announce that it has received approval from the TSX Venture Exchange to close its previously announced agreement with Nikki Mayer, the Chief Financial Officer of the Company, to amend and restate the terms of a convertible promissory note dated September 30, 2015 (the “**Amended Note**”). The Amended Note

will have an outstanding principal amount of \$271,503.03, accrue interest at an annual rate of 12%, and will be convertible into units of the Company and such units will have the same terms and conditions as the Units issued in the Shares for Debt Transaction. The maturity date of the Amended Note will be December 31, 2019.

Because Ms. Mayer is an officer of the Company, the agreement with respect to the Amended Note will constitute a “related party transaction” within the meaning of MI-61-101. The board of directors of the Company has determined that neither the value of the Units issuable pursuant to the Amended Note, nor the amount owing under the Amended Note will exceed 25% of the Company’s market capitalization on the date of amendment. As a result, the agreement with respect to the Amended Note is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

About Peekaboo Beans

Peekaboo Beans Inc. is a high-quality, ethically manufactured children’s apparel brand sold exclusively through its direct-sales network of Stylists or independent sales representatives. In line with its mission, Peekaboo Beans develops custom fabrics and designs its apparel to promote play in children’s lives. Through the direct-sales model, Peekaboo Beans trains women to be entrepreneurs, build a business and generate income on their own terms.

Following the closing of the Shares for Debt Transaction, Peekaboo Beans has 11,894,535 Common Shares and 5,256,243 warrants outstanding.

Forward-Looking Information

Neither the 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. 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, but are not limited to, fluctuations in market prices, successes of the operations of the Company, continued availability of capital and financing and general economic, market or business conditions. 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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