BANJO & MATILDA
AUSTRALIA

RECENT SHARE PRICE MOVEMENTS, REPAYMENT OF CONVERTIBLE NOTES & EQUITY INVESTMENT FROM KEY SHAREHOLDERS

February 25, 2015. Banjo & Matilda, Inc. (OTCQB: BANJ) ("Banjo & Matilda" or the "Company"), an Australian premium lifestyle brand, best know for its contemporary women's cashmere, provides additional information regarding the recent negative share price movement, the repayment of convertible notes, and additional investment by key shareholders.

PRICE MOVEMENTS

Since July 2014 the company's share price has declined from a high of $0.36 to the most recent closing price of $0.016. The company believes the primary reason for this decline is due to the recent exercise of the convertible note investments, made by KBM Worldwide in May and June 2014, for shares in the company and subsequent sale of these securities on market. There were two convertible notes each of $82,500. The key terms of these notes which were previously disclosed were: 6 month repayment term, exercise price of 35% discount to market if not repaid within the term, and no floor to the exercise price. The company believes these two factors have helped push the share price downward from its recent high of $0.36.

The KBM Worldwide convertible notes were due to be paid in December of 2014, and January of 2015. The company did not have the funds available to repay these, which has resulted in an exercise of the Notes and subsequent sale of the ordinary shares on market.

KBM CONVERTIBLE NOTE REPAYMENT

As at February 25, 2015 all convertible notes have been repaid and therefore removed further selling by KBM Worldwide of ordinary shares.

ADDITIONAL INVESTMENT FROM KEY SHAREHOLDERS

Existing key shareholders have today invested an additional $375,000 in a private placement issuing shares at $0.02 per share, or a 25% premium to the most recent closing share price of $0.016.

The company has posted its December quarter results yesterday, which shows continued positive sales growth and operating performance.

About Banjo & Matilda

Banjo & Matilda, Inc., Banjo & Matilda is an Australian premium lifestyle brand, known for its contemporary women's cashmere. Inspired by the iconic Bondi Beach surroundings of its creative studios, Banjo & Matilda launched its first knitwear collection in 2008. Big on quality, small on pretence, and known globally for their fun statement sweaters and luxury cashmere basics, Banjo & Matilda is discreetly luxurious, yet able to capture the essence of beach culture in a range of apparel made with supreme quality and integrity. The brand has a rapidly growing loyal global following, is quickly being stocked in major and specialty retailers around the world, and is sold through its online store banjoandmatilda.com.

Additional information about Banjo & Matilda can be found at the Company's corporate website: www.banjoandmatildainvestors.com.

Forward looking Statement

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Certain matters discussed in this press release are 'forward-looking statements' intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. In particular, the Company's statements regarding trends in the marketplace, growth in the number of stores that will carry its products, increases in its sales and financial results, are examples of forward-looking statements. Forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, economic trends and conditions, trends in the fashion and retail industries, the acceptance of new product designs, inherent discrepancy in actual results from estimates, projections and forecasts made by management and other factors not within the Company's control The factors discussed herein and expressed from time to time in the Company's filings with the Securities and Exchange Commission could cause actual results and developments to be materially different from those expressed in or implied by forward looking statements made by the Company. The forward-looking statements contained herein are made only as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

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