

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: The Tinley Beverage Company Inc (the "Issuer").

Trading Symbol: TNY

Number of Outstanding Listed Securities: 75,066,489

Date: July 5, 2017

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

In the press release dated June 21, 2017, the Company announced the launch of its creamy chocolate squeeze supplement. The product contains 55 10mg servings of phytoconstituent-rich hemp extract, coconut-derived MCT oil, lactose-reduced whey protein, premium raw cacao as well as terpenes that are commonly found in whole-plant hemp extract. It is designed to be eaten on its own or mixed with coffee, smoothies, desserts and anything else that could be enjoyed with a chocolate twist. The squeeze supplement is also designed to be mixed with the Company's cannabis beverages, which are set to be available for retail sale in scale shortly, to create chocolate rum and chocolate amaretto desserts and cocktails. It is the first product to be branded under the "Tinley Tonics" banner, which aligns with the Tinley-branded cannabis drinks. The new product employs the same micellization technology that is used in the Company's "Hemplify" drinks. This technology is designed to enhance the absorption of ingredients into the bloodstream and across the blood-brain barrier, compared with standalone oils. The Company's key distributors have agreed to take shipments of this product and work to place it in retail locations where the Company's Hemplify hemp extract drink are currently available. These distributors also expect to place the product in coffee shops and cafes so that it may be sold as an add-in to coffee and smoothie products. This represents an additional expansion opportunity for the Company within the fast-moving, trend-setting on-premises channel.

2. Provide a general overview and discussion of the activities of management.

The issuer is primarily focused on hemp-infused beverages and supplements. The Company uses a patent-produced procedure to manufacture a liquid supplement containing certifiable phytoconstituent-

rich hemp oil. The Company is producing its products in California and is focusing distribution on key markets throughout the West Coast.

In this regard, among other duties, management has been undertaking the following:

- Working with Critical Mass and other outsourced consultants to develop and implement manufacturing processes and a scaled distribution platform
- Further developing its social media content to grow brand and product awareness
- Continuing to generate direct orders from “brick and mortar” retailers and online stores
- Recruitment of sales personnel and outsourced expertise
- Working to scale production of the company’s cannabis-infused beverages
- Producing the hemp extract squeeze product
- Preparing for production of its next run of its cannabis-infused line of liquor-style and ready-to-drink cocktail products
- Working to place the squeeze supplement in retail locations where the Company’s Hemplify hemp extract drink are currently available as well as expand the store placement of its Hemplify drink

The Company is producing its products with a large-scale contract manufacturer. The Issuer has been pursuing an aggressive sales and distribution plan to place the beverages in stores.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

As per the press release dated June 21, 2017, the Company announced the launch of its creamy chocolate squeeze supplement, which contains 55 10mg servings of phytoconstituent-rich hemp extract, coconut-derived MCT oil, lactose-reduced whey protein, premium raw cacao as well as terpenes that are commonly found in whole-plant hemp extract. It is designed to be eaten on its own or mixed with coffee, smoothies, desserts and anything else that could be enjoyed with a chocolate twist. The squeeze supplement is also designed to be mixed with the Company’s cannabis beverages, which are set to be available for retail sale in scale shortly, to create chocolate rum and chocolate amaretto desserts and cocktails. The new product employs the same micellization technology that is used in the Company’s “Hemplify” drinks. This technology is designed to enhance the absorption of ingredients into the bloodstream and across the blood-brain barrier, compared with standalone oils.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

None.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None.

8. Describe the acquisition of new customers or loss of customers.

LA Distributing Company and SF Pipes continues to be the company's key distribution customers.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

The Company launched squeeze supplements, which are the first product to be branded under the "Tinley Tonics" banner, which aligns with the Tinley-branded cannabis drinks.

Tetley USA Inc. has submitted an opposition to the Issuer's registered trademark of "TINLEY" before the Trademark and Trial and Appeal Board in the United States Patent and Trademark Office. Tetley has formally posed a number of questions related to the Issuer's use of the mark "TINLEY" and has formally requested certain documents in relation to the mark. As is

required by US law, Tinley will be responding to the questions and requests made by Tetley in due course, and the Issuer intends to defend Tetley's opposition if necessary.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares	125,000	Exercise of warrants	\$31,250 Working capital

(1) State aggregate proceeds and intended allocation of proceeds.

15. Provide details of any loans to or by Related Persons.

None.

16. Provide details of any changes in directors, officers or committee members.

None.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Company has seen an increasing number of mainstream stores carrying hemp oil products and has encountered two companies that have developed drinkable hemp oil products. The Company's hemp oil business involves certain risks and uncertainties that are inherent to the Company's industry.

Please refer to the “*Risk Factors*” section of the Listing Statement filed on January 27, 2016 on SEDAR and available at www.sedar.com.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated **July 5, 2017.**

Jeffrey Maser
Name of Director or Senior Officer

"Jeffrey Maser"
Signature

CEO
Official Capacity

Issuer Details Name of Issuer The Tinley Beverage Company Inc.	For Quarter Ended	Date of Report YY/MM/D 2017/07/05
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