

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: TNY

Number of Outstanding Listed Securities: 75,905,989

Date: September 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.

- Working to secure and permit a property for long-term use
- Acquiring additional equipment for use in temporary facility
- Continuing work on formulation and SOPs for scaled production of products sold at the Cannabis Cup
- Supporting Hemplify's retail listings via in-store marketing, social media and event marketing
- Supporting distributors in their selling of Hemplify and the CBD squeeze/creamer product
- Continuing business development initiatives, including expansion outside California

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

The issuer is primarily focused on hemp-infused beverages and supplements. The issuer is also working to produce cannabis-infused liquor-style and ready-to-drink cocktail products based on an initial batch sold at the Cannabis Cup in April 2017. 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
- 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 its products 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.

None.

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.

None.

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.

Tetley USA Inc. has submitted an opposition before the Trademark and Trial and Appeal Board to the Issuer's application to register the "TINLEY" trademark 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 has responded to the questions and requests made by Tetley, and intends to continue to defend Tetley's opposition as necessary.

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

11. **None** 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	44,500	Exercise of options	\$4,895 Working capital

Common Shares	780,000	Exercise of warrants	\$78,000 Working capital
Stock Options	100,000	Issued on August 17, 2017 at an exercise price of \$0.30 per common share	N/A

(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: **September 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 2017/09/05
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