

## FORM 7

### MONTHLY PROGRESS REPORT

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

Trading Symbol: TNY

Number of Outstanding Listed Securities: 90,827,034

Date: November 30, 2018

#### 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 a press release dated November 29, 2018, the Company announced that it shipped over \$100,000 of cannabis-infused beverages to its distributors in Q3, representing the first full quarter of distribution beyond the initial 1-2 test stores in the prior quarter. The Company's distributors received reorders from all stores that had been stocked during Q3, and these distributors have reported that they currently require additional inventory from the Company's manufacturer. However, due to clarifications issued by the regulators without opportunity for comment period, certain portions of the labels require remediation, which at present requires re-stickering portions of the outer cartons. The Company accordingly only recognized a portion of the \$100,000 in revenue and would recognize the rest in Q4 (plus any additional production in Q4) or during whichever quarter the products are released by distributors (even though the products are effectively non-returnable to the Company by distributors).**

**From the same press release, the Company announced that it had entered into an agreement with an additional licensed manufacturer to expand production (see Question#5 for details).**

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

**The Company manufactures a line of liquor-style, alcohol-free, cannabis-infused beverages for use in California under the "Tinley™ '27" and "Tinley™ Cocktails" brands. Tinley also manufactures the "Hemplify®" CBD drinks, which is available in mainstream retail locations in Southern California and online throughout the US.**

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

- **Completing production and testing of the Moscow Mule and other products**
  - **Working with its distributors and branding personnel to expand the Company's cannabis drink presence in dispensaries;**
  - **Working to expand home delivery options;**
  - **Working to launch the liquor-inspired cannabis drinks including coconut rum, amaretto and cinnamon whisky;**
  - **Overseeing the buildout of the Company's 20,000 square foot facility in Long Beach;**
  - **Enhancing production capacity at the Company's temporary facility in Riverside County;**
  - **Developing brand partnerships for third-party drinks;**
  - **Working to expand the Tinley team to support the Company's expanding manufacturing and marketing activity; and**
  - **Engaging in discussions prospective partners for expansion beyond California, with such operations modelled upon the Company's California operations and experience.**
  - **Developing partnerships for product development and territorial expansion into Canada and elsewhere.**
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.

**Moscow Mule produced.**

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 noted.**

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.

**The Company had signed a comprehensive licensing agreement with a new manufacturer, which has more production space as well as scalable, robust systems and controls. The new agreement can accommodate additional filling equipment. All equipment is currently in the process of being moved from the existing manufacturer, and the Company expects to be operational**

**in the new space by the time the relabeling process, due to clarifications in regulations regarding packaging and labelling in California, is complete.**

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 noted.**

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 noted.**

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

**None noted.**

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.

**None noted.**

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

**Employment of the Director of Sales and Field Marketing, was terminated on November 7, 2018.**

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

**None noted.**

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 noted.**

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

**None noted.**

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

**No securities were issued during the current month.**

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

**None noted.**

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

**None noted.**

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 is also monitoring developments in the cannabis regulations that came into effect in California on January 1, 2018, which are expected to continuously evolve, as well as developments with regards to regulation of CBD throughout the United States.**

**Tinley's business involves certain risks and uncertainties that are inherent to the Company's industry. The Company regularly updates the "Risk Factors" section of the Management's Discussion and Analysis filed quarterly on SEDAR, including its most recent quarterly results, filed November 29, 2018.**

## 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 the Exchange 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 Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated December 6, 2018.

Jeffrey Maser  
Name of Director or Senior  
Officer

"Jeffrey Maser"  
Signature  
Chief Executive Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer	For Month End	Date of Report YY/MM/DD
The Tinley Beverage Company Inc.	November 30, 2018	18/12/06
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Contact Name Jeffrey Maser	Contact Position Director/CEO	Contact Telephone No. (416) 402-3365
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