

## FORM 7

### MONTHLY PROGRESS REPORT

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

Trading Symbol: TNY

Number of Outstanding Listed Securities: 100,705,722

Date: April 30, 2019

#### 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.

**On April 23, 2019 Company announced that its manufacturer in the Coachella Valley, California ("Manufacturer") has shipped inaugural batches of the Company's liquor-inspired Tinley™ '27 cannabis beverages.**

**Like Tinley's margarita and Moscow Mule-inspired products, the Tinley™ '27 products were crafted by formulators who had created national brand liquors. They therefore contain authentic extracts, flavors and spices that are commonly found in such products. They also contain just 10 calories and 1-2 grams of natural cane sugar per serving – roughly 1/10th of leading adult beverages--and are vegan as well as gluten-free. The cinnamon whisky-inspired "Cinnamon Cask" is based on what has become the most popular shot drink in the USA. It is also commonly mixed into cocktails with ginger brew, black tea and lemonade. The Italian Amaretto-inspired "Almond Cask" is commonly used to mix with coffee, sodas, fruit juices, as well as in popular cocktails including the Alabama Slammer and Amaretto Sour (which can now be consumed as cannabis-infused mocktails without alcohol) and on desserts including tiramisu.**

**The completion of these products one month ahead of schedule reflects the enhanced capabilities of the Company's recently-commissioned Phase 2 facility. The company continues to benefit from the elimination of the production and revenue constraints that had existed with the Company's Phase 1 equipment. As with all of the Company's products, the inaugural batches of Tinley™ '27 that shipped to one of the Manufacturer's distributors were produced as a "pilot" batch. As such, they will be made available at a limited number of dispensaries, intended primarily for dispensary outreach, consumer demonstrations and product awareness.**

**Upon the pilot batches passing state testing, the Company will begin scaled production of additional batches of these products in its updated 2019 packaging (as shown above). These additional batches would be in addition**

to the \$200,000 of backorders that the company has for its margarita and Moscow Mule-inspired products, as announced last week. As previously disclosed, there is no assurance that all of these products will ship or that the Company will be in a position to recognize this revenue if these shipments occur – however the Company intends to keep the market abreast of shipments as they occur. With these additional batches scheduled for completion in May, the Company is nearing a point where its line will have more line time available for co-packing clients. The Company is accordingly working to consummate longstanding discussions with prospective brands.

All batches of its recently-produced single-serve Tinley™ Tonics and multi-serve Tinley™ ‘27 cannabis-infused Tonics passed state regulatory and safety testing and are being shipped to retail dispensaries in California.

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

The Company manufactures a line of liquor-style, non-alcoholic, cannabis-infused beverages for use in California under the “Tinley™ ‘27” and “Tinley™ Tonics” 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, testing and continuous formulation optimization of the Company’s single-serve and liquor-style products
- Working with its distributors and sales and branding personnel on initiatives 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;
- Increasing production capacity at the Company’s expanded 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;
- Engaging in discussions prospective partners for expansion beyond California, with such operations modelled upon the Company’s California operations and experience, with a focus on Canada and elsewhere; and
- General management activities related to investor and public relations, strategic and financing opportunities and general business strategy.

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.

**Product line as previously disclosed.**

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.

**None noted.**

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.

**The Company continues to build out a bottling line in Long Beach, California under contract with a engineering consultant. The project, which is currently classified and "Construction in Progress" until such time as project and facility is "in use." Expenditures consist of Equipment and Tenant Improvements. In March 2019 approximately \$14,690 was paid towards this initiative bringing the total invested to date to approximately \$1,941,641.**

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.  
**Hiring of sales staff; expect to hire bottling mechanic; continued use of hourly bottling line workers and marketing activation/brand ambassadors.**
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.  
**April 30, 2019 the Company closed a non-brokered private placement (“Offering”) raising gross proceeds of \$5,567,219 from the issue and sale of 9,278,699 units (the “Units”). Each Unit was purchased for \$0.60 and is comprised of one common shares of Tinley (“Common Share”) and one half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant is exercisable into Common Shares at a price of \$0.90 until April 30, 2021. Of the gross proceeds raised, \$700,000 closed in escrow and will be released from escrow pending the satisfaction of certain conditions, which are expected to be satisfied very shortly. President-Western US, Rick Gillis invested \$240,000 on this placement.**

Tinley paid cash commissions to certain finders (the “Finders”), which included Echelon Wealth Partners, Kingsdale Capital, Haywood Securities, Canaccord Genuity and The Benchmark Company (NYC), for an aggregate cash commission paid of \$332,171. Tinley also issued a total of 512,917 broker warrants (“Broker Warrants”) to the finders to acquire Units exercisable until April 30, 2021 at an exercise price of \$0.60 per Unit. Each Unit entitles the Finders to acquire one (1) Common Share and one half (1/2) of one Warrant with each whole warrant exercisable into one (1) common share at \$0.90 until April 30, 2021. All securities issued in the Offering will be subject to a four month and one day hold period.

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, which have continuously evolved, and are expected to continue to evolve throughout 2019. It is also monitoring developments with regards to regulation of CBD in California and 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 May 1, 2019.

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.	April 30, 2019	19/05/01
Issuer Address		
77 King Street West, Suite 2905		
City/Province/Postal Code	Issuer Fax No. ( )	Issuer Telephone No. (416) 402-3365
Toronto, ON, M5K 1H1		
Contact Name Jeffrey Maser	Contact Position Director/CEO	Contact Telephone No. (416) 402-3365
Contact Email Address <a href="mailto:jeff@drinktinley.com">jeff@drinktinley.com</a>	Web Site Address <a href="http://www.drinktinley.com">www.drinktinley.com</a>	