

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: TNY

Number of Outstanding Listed Securities: 107,681,641

Date: January 31, 2020

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.

During the current month, the Company worked to complete production of its Beckett's line of non-infused, liquor-style products for the "sober curious" market, for shipment to BevMo and three other retail chains. The Company also effectively completed buildout of its Long Beach bottling facility, with certain electrical components remaining. The Company also continued work on expanding retail placements and sell through for its cannabis-infused, liquor-style beverages.

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

The Company manufactures a line of liquor-inspired, non-alcoholic, cannabis-infused beverages for use in California under the "Tinley™ '27" and "Tinley™ Tonics" brands.

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

- **Working to obtain additional dispensary placements for its full lineup of infused products;**
- **Adding additional channels for availability of its products including home and hotel delivery and on premises lounges**
- **Working to get additional mass retail placements for non-infused versions of its products in all 50 US states**
- **Working to drive sell-through volume at each store via in-store demos, social media and other marketing tactics;**
- **Working to expand home delivery options;**
- **Working to expand wholesale distribution platforms;**

- **Completing the inspections and related tenant improvements for licensing of its recently completed 20,000 square foot facility in Long Beach;**
 - **Developing co-packing and brand partnerships for third-party drinks;**
 - **Working to finalize its agreements for expansion to Canada, one of which was completed with Great North Distributors and announced subsequent to October; discussions with additional Canadian cannabis companies are in progress**
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.
- The margarita-inspired, Moscow Mule-style, cinnamon whisky-style, amaretto-style and coconut rum-style infused products are currently available in infused format. These products, along with the coffee liqueur-style, paloma-style and gin and tonic-style products will be available in four retail chains in non-infused format in February 2020. Product descriptions can be found on the Company's website. The Company intends to launch additional products under the brands of its co-packing clients and has developed prototype formulations for two such prospective clients.**
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.
- New retail chains, as noted above.**
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 has completed buildout of its bottling line in Long Beach, California, and is working with local utilities to complete minor tenant improvements requested by municipal inspectors, notably related to electrical components. The Company responded to questions asked by relevant cannabis regulators and they have replied with no further questions. The final commissioning of the bottling line will be performed once the Company has a fully useable license, as this commissioning requires handling of cannabis. The project therefore remains classified and "Construction in Progress" until such time as project and facility is "in use." Expenditures consist of Equipment and Tenant Improvements. See the Company's November 27, 2019 press release regarding remaining steps to licensing and commissioning, and timeline.

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 trademarks.

None noted.

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

The Company continues to add additional staff to support its manufacturing, sales, distribution and related administrative functions.

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.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Stock options	100,000	Grant of options	\$nil

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 not involved in the manufacture of vape pens or products used in vape pens such as oils, distillates or concentrates. Any potential regulatory action against vape pens would not apply to Tinley. The Company sees its products as healthy alternatives to smokable products. The Company continues to monitor developments in the cannabis regulations, which have continuously evolved, and are expected to continue to evolve throughout 2020 and beyond. It is also monitoring developments with regards to regulation of CBD in California and throughout the United States.

With the Company’s entry into mass retail for non-infused versions of its products, the Company is benefiting from the “sober-curious” movement, which is a major consumer trend affecting beverage alcohol consumption, particularly by younger consumers.

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, 2019.

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 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 February 7, 2020.

Jeffrey Maser
Name of Director or Senior
Officer

"Jeffrey Maser"
Signature
Chief Executive Officer
Official Capacity

Issuer Details Name of Issuer	For Month End	Date of Report YY/MM/DD
The Tinley Beverage Company Inc.	January 31, 2020	20/02/07
Issuer Address		
77 King Street West, Suite 2905		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Toronto, ON, M5K 1H1	()	(416) 402-3365
Contact Name	Contact Position	Contact Telephone No.
Jeffrey Maser	Director/CEO	(416) 402-3365
Contact Email Address	Web Site Address	
jeff@drinktinley.com	www.drinktinley.com	