

## FORM 7

### MONTHLY PROGRESS REPORT

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

Trading Symbol: TNY

Number of Outstanding Listed Securities: 114,381,641

Date: July 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.

**On July 2<sup>nd</sup>, 2020, The Company announced that its 20,000 square foot bottling facility in Long Beach, California is now licensed for cannabis manufacturing by the State of California.**

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

**The Company manufactures a line of non-alcoholic liquors and cocktails for sale in liquor stores, grocery stores, convenience stores and in on premises channels. The Company also licenses these formulations to a third-party company that manufactures versions of these beverages that are infused with cannabis.**

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

- **Working to produce infused products at its newly-licensed facility in Long Beach**
- **Working to finalize Canadian expansion**
- **Completing formulations for co-packing clients and working to finalize co-packing agreements**
- **Working to finalize initiatives with prominent figures in sports and entertainment for marketing of Tinley products and co-packing clients' products**
- **Working to finalize an online, direct marketing and promotions program**
- **Working to produce and ship non-infused products at co-packers.**
- **Working to begin trials at the previously-disclosed grocery and warehouse chains, as well as obtain additional grocery, liquor store ecommerce and other retail placements for its non-infused beverages**

- **Working to obtain additional dispensary placements for the cannabis versions of these beverages**
  - **Growing its home delivery channel partners**
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.
- Tinley expects its present production at Long Beach to include inventory for a launch of Tinley's-branded infused versions of all 8 Beckett's (non-infused) products. Tinley's non-alcoholic, non-infused Beckett's \products are based on Margarita, Moscow Mule, Gin & Tonic and Paloma cocktails, as well as Coffee Liqueur, Cinnamon Whisky, Coconut Rum and Amaretto. All Beckett's branded products are now available in mainstream retail, and a portion of them are available via a third-party manufacturer in cannabis-infused format in dispensaries. The Company intends to launch additional products under the brands of its co-packing clients and has developed prototype formulations for three 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.
- 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.

**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 trademarks.

**None noted.**

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

**None noted.**

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.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
Stock Options	50,000	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.

**Beer sales are declining, particularly among younger consumers. This decline is believed to be mostly driven by desires for healthier lifestyles, lower sugar and gluten free options, a shift to liquor and a shift to cannabis. The Company believes its Beckett's line benefits from all these trends, given it is alcohol-free, gluten-free, vegan and contains a fraction of the sugar found in their beverage alcohol counterparts. While Beckett's does not contain cannabis, the infused versions, marketed under the Tinley™ brand, can capture demand from consumers seeking healthier alternatives to alcohol and to smokable cannabis products. 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 continues to monitor developments in the health beverage industry and to cannabis regulations in Canada and the USA, which have continuously evolved, and are expected to continue to evolve throughout 2020 and beyond.**

**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.**

**In addition, on January 30, 2020, the World Health Organization declared that the recent coronavirus ("COVID-19") outbreak was a global health emergency, recognizing that the disease represents a risk outside of China, where it emerged in the last couple of months. While all of the Company's three business divisions (non-cannabis, cannabis and co-packing) are continuing operations under essential services exemptions, circumstances could change anytime. Companies across various industries could be impacted materially by the coronavirus. COVID-19's known and unknown impact on earnings, costs, employees, supply chains, customers and other stakeholders, as well as other business matters, may be material for the Issuer, and may have a material impact on the Issuer's gross earnings, net earnings and other business matters. Environmental, social and governance factors may also impact the Issuer's operations in the near future.**

## 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 Aug 06, 2020.

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.	July 31, 2020	20/08/06
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	
<a href="mailto:jeff@drinktinley.com">jeff@drinktinley.com</a>	<a href="http://www.drinktinley.com">www.drinktinley.com</a>	