

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: TNY

Number of Outstanding Listed Securities: 121,877,266

Date: January 31, 2021

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 January 14, 2021, the Company announced that it has entered into an agreement with MARS Distro, a subsidiary of Headquarters ("Mars HQ"), to create supply chain solutions for its co-packing clients in California (see Question #5 for more details).

On January 19, 2021, the Company's subsidiary, Beckett's Tonics California, has joined forces with reality TV star Todd Chrisley. The new product line, introduced by Chrisley and the Beckett's™ team, has now launched nationally online and in selected Costco, Kroger/Ralphs and BevMo! stores.

On January 28, 2021, the Company announced that it has completed production in Canada of both Canadian and US Beckett's (non-infused) ready to drink and multi-serve products, and that test sample production of its Canadian Tinley '27 (infused) drinks is underway this week at one of its two licensed manufacturer in Ontario. It also announced that the manufacturer of its carbonated Tinley's Classics (infused) product line would be delayed. Management is progressing through discussions with other producers that have expressed interest in producing this product line, as well as continuing discussions with its existing manufacturer.

The Canadian versions of the company's Beckett's Tonics that have been produced in Ontario, Canada will be available online and in select stores in Alberta and Ontario starting next month.

During the month, the Company also advanced discussions with several co-packing clients, two of which were advanced to final form. Immediately following the end of the month the Company announced that SIP Tonics, Nevada's #1 cannabis beverage, and Cannabis Quencher, one of California's top-selling and best known cannabis beverages, would produce their products at Tinley's facility.

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, online retail and in on premise food and channels. The Company also manufactures versions of these beverages that are infused with cannabis for sale in licensed dispensaries.

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

- **Producing non-infused versions of its products in Canada and continuing preparatory work for full commercial production of its infused products in Canada.**
 - **Finalizing co-packing agreements.**
 - **Working to finalize initiatives with prominent figures in sports and entertainment for marketing of Tinley's and Beckett's products, and as well as co-packing clients' products (one of such deals was completed during the month, with others still under discussion)**
 - **Finalizing online, direct marketing and promotions programs for the non-infused products.**
 - **Continuing trials at the previously disclosed grocery and warehouse chains, as well as obtaining additional grocery, liquor store ecommerce and other retail placements for its non-infused beverages.**
 - **Obtaining additional dispensary placements for the cannabis versions of these beverages.**
 - **Growing its home delivery channel partners.**
 - **Growing store placement of its Beckett's products, including Texas and Louisiana (via its agreement with Emergent) and other States where the Chrisley television shows are most popular.**
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 Company has developed Canadian versions of its Tinley '27 multi-serve products for production by Peak.
 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.

During the current month, the Company entered into an agreement with MARS HQ, as outlined above. With Mars HQ, the combination of the Company's cannabis beverage manufacturing facility with Mars HQ's robust sales and logistics services enables a solution for formulation, manufacturing, sales, warehousing, last-mile logistics and other operational challenges commonly faced by cannabis beverage companies in California.

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.

The Company has been rolling out its Beckett's products at Costco, Ralphs, online and independent retailers.

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.

Norm Wilson & Sons, Inc., the Contractor of record for the Company’s Long Beach facility, filed claim against ICC Turnkey, Inc., the engineers of the Long Beach facility, to the Superior Court of California, County of Los Angeles, on July 1, 2020, alleging ICC Turnkey has unpaid fees owing to Norm Wilson & Sons of approximately \$325,000. While the Company does not have a contract with Norm Wilson & Sons nor does it believe it has any legal liability in connection with this claim, Norm Wilson & Sons has named both the Company and the Company’s landlord as defendants. The Company entered into a fixed price contract with ICC Turnkey for completion of its bottling facility at Long Beach, California. Under the terms of the Company’s agreement with ICC, the Company is not responsible for cost overruns related to this project, making the unpaid amounts the responsibility of ICC Turnkey. Accordingly, ICC has agreed to not charge the Company any additional fees, including fees for final commissioning, until this matter is settled between ICC and Norm Wilson & Sons. While the matter was filed on July 1, 2020, the Company and its landlord were only provided service in August 2020.

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	2,400,000	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 of liquor-inspired, terpene-infused, non-alcoholic beverages 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 United States, 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 30, 2020.

In addition, on January 30, 2020, the World Health Organization declared that the 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 February 5, 2021.

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, 2021	21/02/05
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	