



Tinley Completes Facility Retrofits and Provides Corporate Update

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January 23, 2017: Santa Monica, California and Toronto, Ontario - The Tinley Beverage Company Inc. (the "**Company**" or "**Tinley**") is pleased to provide an update to the market on the progress of executing on its business plan.

Tinley '27 Cannabis Drinks Launch

The Company has been engaged in a search for a facility in California to house its Phase I bottling line. The Phase I Bottling Facility will be used to produce and bottle its line of THC infused beverages, Tinley '27 and Tinley Cocktails, until the Company completes a build of its long-term, full-scale bottling plant. The Phase I facility will also be used to provide co-packing services for third-party beverage producers. Tinley has identified a facility in Riverside County, California, and this facility has now completed retrofits requested by the municipality, including those requested by Tinley to accommodate Tinley's bottling equipment. The facility is awaiting what it believes to be its final municipal inspection to allow production of various products, including Tinley's beverages. The Company has agreed, in principle, to all material terms to house the Phase I bottling equipment and intends to enter a binding agreement with the facility, contingent upon it receiving its permit. At such time, Tinley intends to commence immediate filling operations, and expects production of the initial products to take 2-3 weeks to complete. Initial products include the Tinley Margarita and the Tinley '27 Coconut Rum.

Increased Cash Position

The Company currently has approximately \$4.6 million in cash and liquid securities, representing an increase of approximately \$800,000 from the total accessible cash of approximately \$3.8 million reported in the Company's last quarterly release on September 30, 2017. The Company feels this is sufficient capital for producing the Tinley '27 batches planned for its temporary facility, bringing its long-term bottling facility into operation, marketing and working capital.

Cole Memo Retraction

The Company has reviewed its operating plan as a result of the United States Department of Justice's recent rescission of the Cole Memo. The Company notes that the Cole Memo was not law, but rather a clarification of federal enforcement priorities as they relate to State cannabis programs. Accordingly, the Company intends to operate in a manner consistent with the requirements of the Cole Memo to mitigate its risk of federal intervention. The Company also notes that the Rohrabacher-Blumenauer amendment has been renewed as part of the bill signed yesterday evening to end the US Government shutdown. This amendment prevents funds made available to the Department of Justice from being

used to prevent States from implementing their own cannabis laws. As a result, the Company is proceeding with the launch of its Tinley '27 cannabis beverages as planned.

Further, the Company does not believe that the Cole Memo retraction impacts its Hemplify CBD products as these products are manufactured with extract from imported industrial hemp rather than forms of cannabis governed by the Controlled Substances Act.

Updated Hemplify Products

The Company is in the final stages of producing updated versions of its Hemplify CBD drinks, including a new lemon-lime flavor and an updated mixed berry flavor. All three flavors will be available in newly-designed packaging, and the Company intends to roll them out in all 100+ stores where Hemplify is currently available towards the end of the month. The newly-designed Hemplify packaging includes the "Tinley Tonics" brand, which is designed to maximize cross-branding between the mainstream stores where Hemplify is available and the cannabis dispensaries where both Hemplify and the upcoming Tinley '27 cannabis products are expected to be available.

About The Tinley Beverage Company, The Tinley Collective and Hemplify

The Tinley Beverage Company (Toronto, Canada) has developed a line of liquor-inspired, cannabis-infused beverages for use in jurisdictions throughout North America where such products are permitted. It is under contract with The Tinley Collective, a California Cooperative Corporation that is engaged in cannabis procurement and distribution within California's medical cannabis system. Tinley's wholly-owned subsidiary, Hemplify, Inc. (Santa Monica, CA), manufactures the "Hemplify" and "Tinley's Tonics" line of products. "Hemplify" is a line of fruit-flavored, sugar-free, vegan, drinkable supplements that contain hemp stalk extract. This extract contains terpenes and other phytoconstituents. Each product also contains 9-12x the potassium electrolyte content of major sports drinks, 200mg of Omega 3 and excellent sources of 9 vitamins, including 100% DV of Vitamin C, B12 and D. The Tinley's Tonics squeeze supplement is a creamy, chocolate blend of hemp extract, MCT oil and lactose-reduced whey protein. The company is selling its products in 100+ retail locations in California and online throughout the United States.

Forward-Looking Statements

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This press release contains or refers to forward-looking information, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and the other risks involved in the mineral exploration and development industry. Forward-looking statements are subject to significant risks and uncertainties, and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as

of the date hereof and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by law.

Products and formulations outlined herein are subject to change at anytime.

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