

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

- Item 1**      **Name and Address of Company**  
The Tinley Beverage Company Inc. (the “Company”)  
77 King Street West, Suite 2905  
Toronto, Ontario, Canada  
M5K 1H1
- Item 2**      **Date of Material Change**  
  
September 19 and 24, 2021.
- Item 3**      **News Release**  
  
On September 20 and September 24, 2021, news releases in respect of the material changes were disseminated by the Company. Copies of the news releases disclosing the material changes are appended hereto as Schedule “A” and Schedule “B” and were filed under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).
- Item 4**      **Summary of Material Change**  
  
On September 19 and September 24, 2021, the Company disclosed certain changes to senior management of the Company and its subsidiaries, including: (i) the appointment of Richard Gillis to the position of President and Chief Operating Officer of Tinley USA; (ii) the resignation of Jeff Maser from his positions as Chief Executive Officer and as a director of the Company and his appointment to the Company’s advisory board; (iii) the formation of an office of the Chief Executive Officer, including Rick Gillis and directors Ted Zittell and Douglas Fulton, to manage all corporate activities with company management on an interim basis while a search for a new Chief Executive Officer is underway; (iv) the resignation of David Hackett from his position of Chief Financial Officer of the Company; and (iv) the appointment of Manish Z. Kshatriya to the position of Chief Financial Officer of the Company.
- Item 5**      **Full Description of Material Change**  
  
Please see a copies of the Company’s press releases dated September 20 and 24, 2021, attached to this report as Schedule “A” and Schedule “B”, respectively.
- Item 6**      **Reliance on Subsection 7.1(2) of National Instrument 51-102**  
  
Not applicable.
- Item 7**      **Omitted Information**  
  
Not applicable.
- Item 8**      **Executive Officer**  
  
Ted Zittell, a director of the Company, is knowledgeable about the material changes and this report. Mr. Zittell can be contacted at (310) 507-9146 and at [info@drinktinley.com](mailto:info@drinktinley.com).
- Item 9**      **Date of Report**  
  
September 29, 2021

**SCHEDULE A**

*(see attached)*



## **Founder Jeff Maser Steps Down as CEO and Director and Joins Advisory Board; Richard Gillis Appointed as President and Chief Operating Officer, Tinley USA and Joins Newly Created Office of The CEO**

### ***FOR IMMEDIATE RELEASE***

TORONTO, Ontario and LOS ANGELES, California - September 20, 2021 – The Tinley Beverage Company Inc. (CSE:TNY, OTC:TNYBF) (“Tinley’s”, or the “Company”) is pleased to announce that beverage industry veteran Richard Gillis has been appointed to the role of President and Chief Operating Officer, Tinley USA. Mr. Gillis previously served as President, Tinley Western USA, where he oversaw the buildout of the Company’s 20,000 square foot co-packing facility and the launch of several Company-branded beverages. The Company also announces that Founder and CEO, Jeff Maser, has stepped down from his role as CEO and director and will join the Company’s advisory board. Rick Gillis, together with Directors Ted Zittell and Douglas Fulton, have formed an Office of the CEO to manage all corporate activities with company management on an interim basis while a search for a CEO is underway.

Prior to joining Tinley, Rick Gillis served as General Manager, Coca-Cola Enterprises for the Southwest US. In this capacity, Mr. Gillis oversaw thousands of employees in multiple bottling, distribution and sales facilities for one of the company’s largest regional business units. He subsequently served as President of Young’s Market Company which, under his tenure, was the second-largest beverage alcohol distributor in the Western USA. With Tinley’s state of the art cannabis beverage facility experiencing increases in capacity utilization, Mr. Gillis is now best positioned to leverage his extensive experience with scaled beverage operations help lead Tinley’s to its next phase of growth.

Jeff Maser founded the Company in 2015 with a vision to create premium, adult-style beverages that can be enjoyed as alternatives to alcoholic beverages. Working with formulators from the world’s leading beverage alcohol companies over the course of several years, Jeff created low-calorie, non-alcoholic versions of popular adult beverages including ready-to-drink Gin & Tonic, Paloma, Moscow Mule and Lime Margarita, as well as multi-serve Coconut Rum, Cinnamon Whisky, Amaretto and Coffee Liqueurs. All of these formulations contain distilled botanicals and non-cannabis-derived botanical terpenes and are non-alcoholic. As non-cannabis-infused formulations, these products are sold in mainstream grocery, c-store and on premise accounts in the United States and Canada. The Company also sells, or is in the process of manufacturing for sale, cannabis-infused formats through cannabis-licensed manufacturers and distributors.

“Bringing Tinley from my initial vision to its current phase of growth has been an extremely challenging and rewarding journey,” commented Mr. Maser. “As founder, I built a team of exceptionally experienced beverage executives, knowing that in-depth expertise in manufacturing, logistics, branding and sales would be needed to truly make Tinley’s a market-leading beverage infrastructure and marketing company. Rick has been a key contributor to our growth for nearly three years, and I am confident with him taking on these additional responsibilities. As an advisory board member, I remain committed to

helping drive the Company's growth into everything that I and our many followers and investors have continued to believe it could be from day one."

"I want to personally thank Jeff for entrusting me with building the California business, in my original role as well as in this expanded capacity," said Mr. Gillis. "Jeff's extraordinary vision and entrepreneurial drive has created a platform that has given us a uniquely-advantaged market position in both California and Canada. I know management and the board all support this decision. All of us are prepared to do what it takes through the CEO search process, and to working with a new CEO through the complexities of the expanding and competitive beverage and cannabis industries."

### ***About The Tinley Beverage Company and Beckett's Tonics***

The Tinley Beverage Company Inc. (OTC:TNYBF, CSE:TNY) manufactures the Beckett's Classics™ and Beckett's 27™ line of non-alcoholic, terpene-infused spirits and cocktails. Beckett's products are available in mainstream food, beverage, and specialty retailers, as well as online, across the United States as well as in grocery and specialty stores in Canada. Cannabis-infused versions of these products are offered under the Tinley's™ brand in licensed dispensaries and home delivery services throughout California, with expansion to Canada underway.

The Company has built what it believes is one of California's largest, most versatile and most technologically advanced cannabis-licensed beverage manufacturing facilities to produce its own as well as third-party brands. Located just 14 miles south of downtown Los Angeles, Tinley's facility is in close proximity to North America's largest cannabis market. It is capable of bottling in an increasing variety of package, formulation and label formats, and has built out a licensed distribution facility adjacent to the manufacturing space.

Please visit [www.drinkbecketts.com](http://www.drinkbecketts.com), [www.drinktinley.com](http://www.drinktinley.com), Twitter and Instagram (@drinktinleys and @drinkbecketts) for recipes, product information and home delivery options.

### ***Forward-Looking Statements***

This news release contains forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. Forward-looking statements are statements and information that are not historical facts but instead include financial projections and estimates, statements regarding plans, goals, objectives, intentions and expectations with respect to the future business and operations, statements regarding Mr. Gillis' ability to leverage his experience to lead Tinley's, increases to the Company's capacity utilization, expectations regarding the Company's growth, statements regarding the Company's position within the cannabis and beverage markets, and phrases containing words such as "ongoing", "estimates", "expects", "intends", "believes" or the negative thereof or any other variations thereon or comparable terminology referring to future events or results, or that events or conditions "will", "may", "could", or "should" occur or be achieved, or comparable terminology referring to future events or results. 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, formulations, and timelines outlined herein are subject to change at any time.

For further information, please contact:

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OTC:TNYBF CSE:TNY

**SCHEDULE B**

*(see attached)*



## **Manish Z. Kshatriya appointed CFO; Company Provides Corporate Updates and Invites Investors to Long Beach, California Site Tour**

### ***FOR IMMEDIATE RELEASE***

TORONTO, Ontario and LOS ANGELES, California – September 24, 2021 – The Tinley Beverage Company Inc. (CSE:TNY, OTC:TNYBF) (“Tinley’s” or “the Company”) is pleased to announce that it has appointed Manish Z. Kshatriya as Chief Financial Officer. Mr. Kshatriya succeeds David Hackett, who has resigned his role to pursue other opportunities. The Company thanks Mr. Hackett for his service and wishes him success. Tinley’s is also pleased to provide corporate updates and invites investors for a tour of its bottling facility in Long Beach, California.

Mr. Kshatriya is currently the Managing Director of a Toronto based Business Advisory firm providing executive management, governance and compliance oversight, and capital markets advisory services to small and mid-market private and publicly listed companies. He has over 20 years of progressive experience in corporate finance, accounting, taxation and auditing obtained in public accounting practice and industry.

Mr. Kshatriya’s extensive capital markets experience includes: the formation and development of mineral resource exploration companies from inception to initial public offerings; the formation and offerings of flow-through limited partnerships; raising capital; mergers and acquisition activity; serving on public company boards; and, proxy contests.

Most recently, and prior to his role as Managing Director, Mr. Kshatriya served as Director, President, Chief Executive Officer and Chief Financial Officer of a United States based mineral resources company that was listed both in the US and in Canada. Prior to that role, Mr. Kshatriya worked for a Toronto based, Canadian listed mining merchant bank where he served as Chief Financial Officer. As Chief Financial Officer, Mr. Kshatriya was responsible for the management and oversight of all financial matters for the parent company, its subsidiaries, and its flow-through limited Partnerships and mutual fund investment products. Mr. Kshatriya has also served as Chief Financial Officer or senior financial executive for various other private and publicly listed companies in the mineral resource sector.

Mr. Kshatriya earned his Bachelor of Commerce degree, with Honours in Accounting and Finance, from York University in Toronto, CA. He is a graduate of the director’s education program at the Institute of Corporate Directors at the Rotman School of Management, University of Toronto and is an institute certified director (ICD.D). He is a Chartered Professional Accountant (Chartered Accountant) and a member of the Institute of Chartered Professional Accountants of Ontario. He is also a Certified Public Accountant in the United States and a graduate from the Colorado State Board of Accountancy.

“We are excited to move forward with a CFO of Manish’s calibre,” said Ted Zittell, Director and member of The Office of the CEO. “Manish brings excellent experience in operational finance, which we increasingly need as our client activity ramps up, and operations, contract and inventory management functions require robust finance and administrative support. Manish has been working closely with

Company management over the past 60 days and therefore hits the ground running. He has begun to plan and implement processes improvements and information systems to enhance our accounting, administrative and reporting systems which we believe will increase the efficiency of our Long Beach facility," he added.

## **Other Corporate Updates**

The Company is pleased to provide additional corporate updates:

- The Company's "Beckett's" products are scheduled to appear on screen in NBCU's USA Networks "Chrisley Knows Best" episode on October 21, 2021. The Company has a three-year agreement with top-ranked prime time reality television show star Todd Chrisley. Under the agreement, Mr. Chrisley will use commercially reasonable efforts to integrate the Beckett's products into a minimum of four episodes every six months for the duration of the agreement.
- The Company continues to conduct testing and production planning for the previously disclosed, updated formulations for the Canadian versions of the Company's cannabis-infused products. The 60-day NNCP period is currently in progress. The Company does not anticipate any change in focus on the infused beverage launch initiatives in Canada as a result of the recent management changes.
- The Company has elected to add additional functionality to the can line in its Long Beach facility, including an inline can sleever, and an automated de-palletizer. These enhancements will increase the menu of manufacturing options offered to client brands and are expected to increase overall plant capacity. As a result, the line is now expected to be complete in October. The Company continues to have a strong backlog of clients in the manufacturing pipeline for this line.
- As previously disclosed, the newly state-licensed cannabis beverage distribution space adjacent to the Company's manufacturing facility in Long Beach, California is proceeding through confirmatory building inspections by the City of Long Beach. All facility improvements requested in the prior round of inspections have been completed. While the Company believes that these additional inspections are expected next week, there is no assurance of the timing.

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## ***Forward-Looking Statements***



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### **Long Beach Site Tour for Investors**

The Company is pleased to invite investors to tour of its bottling facility in Long Beach, California, on Tuesday, September 28, 2021, 9:30-11:00 am Pacific Time. Investors will have the opportunity to meet the team on-site; see the status of our operations; and learn about the functionality of our three bottling lines, the tunnel pasteurizer, and the adjacent licensed distribution area. Investors attending may sample non-infused versions of our products outside the licensed areas of the facility. The tour will be led by Richard Gillis, President and COO of Tinley USA. Investors wishing to attend are required to register in advance by e-mailing [info@drinktinley.com](mailto:info@drinktinley.com).

For further information, please contact:

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