



Tinley's Provides Corporate Updates; Announces Cost Cutting Initiatives, Board & Management Changes

FOR IMMEDIATE RELEASE

TORONTO, Ontario and LOS ANGELES, California, March 21, 2023 – The Tinley Beverage Company Inc. (CSE:TNY; OTC:TNYBF) (“Tinley’s” or the “Company”) provides update on the status of the previously announced decommissioning of its Long Beach manufacturing facility and relocation of its bottling and related assets to the new Blaze Life Holdings, LLC (“BLH”) 45,000 square foot cannabis manufacturing and distribution facility located in Canoga Park, California, and on related measures being immediately implemented to facilitate the relocation including, but not limited to, substantive cost cutting initiatives and changes to the board and management teams.

Corporate Updates

Relocation to Canoga Park Facility and Long Beach Production Schedule

Tinley’s confirms that it will decommission its Long Beach bottling assets before the end of the second quarter of this year, and currently expects installation and commissioning of bottling lines at strategic partner BLH’s Canoga Park facility to take place at the beginning of the third quarter of this year. To help client brands ensure sufficient inventory for testing and release of products to distribution through the transition, the Company is collaborating with Long Beach contract manufacturing clients to complete service requests by the end of the week of March 20, 2023 to confirm added production dates prior to the decommissioning of the Long Beach facility. A detailed press release outlining the Company’s strategy and movement to the Canoga Park facility, including anticipated overhead savings of the Company, was issued on January 23, 2023.

Recent Long Beach Production

Working through the end of 2022 and into January 2023 with co-pack client Green Monké, the Company successfully completed production of newly formulated infused iced tea and lemonade varieties developed by Green Monké under contract for the well-known “Cookies” brand.

Production in Long Beach includes both repeat and new client SKU’s as well as inventory-building orders from high-volume recurring clients booked across the Company’s three manufacturing lines. The Company has also recently run Tinley’s own brand batches, as well as the first of several production runs scheduled in Q2 2023 for our strategic partner BLH’s Illa-Canna LLC’s new infused drinks. Additionally, certain established and innovating brands, introduced to the Company by BLH, have booked production for their products this quarter in Long Beach on an interim basis prior to the planned move to the Canoga Park facility.

Beckett’s USA - Reorder in Progress

Following receipt of new purchase orders from Total Wine & More to replenish inventory, production of Beckett’s Tonics RTD and Beckett’s ’27 multi-serve spirits and liqueur is now underway at the Company’s chosen contract manufacturers. Delivery to Total Wine & More is expected at or around the end of the current quarter.



Substantive Cost Cutting Initiatives

To ensure a successful transition from Long Beach to Canoga Park, and to ensure that adequate financial resources are available to the Company in a market where access to capital is severely limited, Tinley's has immediately implemented substantive cost cutting measures to aggressively preserve capital and accelerate expense reduction. These steps recognize recent challenges in capital markets, growing costs in the California cannabis sector and the need for superior manufacturing and distribution scale, benefits of which are expected to materialize following the move.

Canadian Business - Pause on Expansion

In Canada, market complexities including high entry costs and ongoing challenges to profitability based on market structure continue to present challenges. As a Canadian company with a wide base of Canadian retail shareholders, Tinley's board and management acknowledge the natural interest in participating profitably in Canadian markets. We also recognize our need to prioritize our responsibility to the Company to manage cash flow and profitably, and will propose to invest overhead dollars saved as a result of the move, and revenues from Tinley's California and Beckett's USA, into initiatives with higher probability potential of return. Based on a current analysis of reintroduction of reformulated infused products to the Ontario Cannabis Store and the complexities of relaunching Beckett's into Canada at this time, to reflect the need to preserve capital and reduce expenses to focus future investment on high return initiatives, the Company has decided to pause its plan to re-enter Canada indefinitely.

Staff and Management Changes

In addition to reducing staff at the Long Beach facility in anticipation of the move to BLH's Canoga Park facility, the Company also regrets to announce that effective immediately, Rick Gillis has agreed to step down from his role as President, Tinley's Brands USA, a decision primarily driven in support of the Company's initiatives for preserving capital and cost cutting, and his concurrent appointment to the Company's advisory board. "We thank Mr. Gillis for his contributions as a Tinley officer to date", said Ted Zittell, Tinley's director and CEO. "We welcome Rick's ongoing commitment to support the Company and our Tinley's and Beckett's brands in his new role on the Company's Advisory Board", he added. In order to contribute to the preservation of cash, the Company's CEO, CFO and certain remaining employees and consultants have temporarily agreed to defer their respective salaries for a limited period of time.

Advance from BLH

On or about March 16, 2023, the Company received an advance of \$200,000 from the remaining funds available to the Company under the BLH lending facility, with the final \$300,000 from BLH currently expected to be expended by the Company during the move to BLH's Canoga Park facility. The \$200,000 will be applied by the Company for general corporate purposes to provide the Company, together with the Company's ordinary course collection of client receivables, with sufficient capital to undertake its ordinary course operations until the Company is able to move to BLH's Canoga Park facility and realize on anticipated synergies of that move.

Board Changes

The Company regrets to announce that effective immediately, Kirsten Chapman has resigned from the Company's Board of Directors for personal reasons and to pursue other commitments. We thank Kirsten for her service and wish her continued success in the future.



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

The Tinley's Beverage Company Inc. (CSE:TNY; OTC:TNYBF) develops and has licensed the production through its Long Beach, CA state-licensed manufacturing facility of terpene and cannabis-infused non-alcoholic Tinley's™ '27 and Tinley's™ Tonics products which are distributed to licensed dispensaries and home delivery channels in California. Expansion of these products, adapted for manufacturing and sale in Canada, is currently underway. The Beckett's Classics® and Beckett's '27® lines of non-alcoholic, terpene-infused non-cannabis versions of these formulations are available in select mainstream food, beverage, and specialty retailers, as well as online, in the United States as well as having appeared in select grocery and specialty stores in Canada. The Long Beach Facility contains versatile and technologically advanced cannabis-licensed beverage bottling equipment, and provides manufacturing and first-mile distribution services under one roof for third-party brands in addition to the Company-owned brands. Please visit www.drinktinley.com, and www.drinkbecketts.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 and intentions, statements regarding the Company's expectations with respect to its future business and operations, the timing of the completion of the transfer of the Company's operations from the Long Beach facility to the BLH facility, management's expectations regarding growth and phrases containing words such as "ongoing", "estimates", "expects", "anticipates", 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, the timing of BLH's receipt of certain licences necessary to operate at the Canoga Park facility, the timing of the Canoga Park facility becoming fully operational, potential delays or unanticipated problems related to the relocation of Tinley's bottling assets to the Canoga Park facility, risks associated with Tinley's existing bottling customers continuing production at the Canoga Park facility and Tinley's existing can customers agreeing to move their production to the Canoga Park facility, Tinley's being sufficiently capitalized to meet its financial obligations related to the move to Canoga Park and otherwise continue to operate its business in the ordinary course, potential delays in obtaining, or failures to obtain, necessary governmental approvals required to operate the Canoga Park facility, 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 input costs, the ability to resume expansion to the Canadian market at a later date and the ability to collect receivables. 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.



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