Tinley's Provides Corporate Updates and Announces Appointment of New Director and the Closing of its Oversubscribed Non-Brokered Private Placement and Debt Settlement

FOR IMMEDIATE RELEASE

TORONTO, Ontario and LOS ANGELES, California, January 26, 2024 – The Tinley Beverage Company Inc. (CSE:TNY; OTC:TNYBF) ("**Tinley's**" or the "**Company**") is pleased to provide updates on the Company's recent corporate developments and to announce the appointment of new director Mr. Shreyas Balakrishnan. The Company is also pleased to announce the closing of its previously announced oversubscribed non-brokered private placement of 58,660,000 units of the Company ("**Units**") at a price of $0.025 per Unit for gross proceeds of $1,466,500 (the "**Private Placement**") and the settlement of $533,500 of outstanding indebtedness of the Company pursuant to the issuance of an additional 21,340,000 Units to certain creditors (the "**Debt Settlement**").

Corporate Update

The Company is pleased to confirm that The Blaze Life Holdings' ("**BLH**") cannabis manufacturing and distribution facility in Canoga Park, CA (the "**BLH Facility**") is now fully licensed and operational and that the Company's glass bottling line has been successfully installed at the BLH Facility. Tinley's Long Beach clients are now able to resume co-packing production at the BLH Facility. BLH's canning and mini-bottle lines are fully operational, and the Company will now begin to receive referral fees for its co-packing clients that have transitioned production to BLH.

Tinley's is working with its retail sales and distribution broker, Emergent Beverages, to increase revenue from the sales of Beckett's no-alcohol products through Total Wine & More's 263 superstores across 28 US states, as well as through new sales to additional US customers. Tinley's is currently in production to fulfill all currently outstanding purchase orders. Using proceeds of the Private Placement, the Company will also be building an inventory reserve of Beckett's no-alcohol beverages to seamlessly fulfill new purchase orders once received. This standby inventory is also expected to be used for sales samples to promote and market Beckett's across the U.S. in support of the Company's sales expansion initiatives.

Production, distribution and sales planning are underway for the Company's new line of Beckett's hemp-derived Delta-9 tetrahydrocannabinol ("**HD9 THC**") beverages. Production of this new, high-demand beverage line is expected to commence in Q1 2024. HD9 THC is derived from the hemp plant, not the heavily regulated and restricted marijuana plant. Accordingly, the sales of hemp products currently enjoy minimal regulation and are permitted to be sold throughout most of the United States. The Company's new HD9 THC beverages are expected to be widely distributed and sold across most US states in high-volume, high-traffic locations such as supermarkets, corner stores, gas stations, bars and restaurants. Beckett's no-alcohol and Beckett's HD9 THC beverages are expected to be the Company's primary focus for investment and revenue growth starting this quarter and going forward.

Tinley's will also be relaunching certain new and improved THC-infused beverages, which are expected to include high potency options containing 100 mg of THC. The Company has decided to discontinue using "Tinley" as a brand name and will be producing the new line of reformatted THC-infused beverages under the Beckett's brand. Production of the THC-infused beverages is expected to roll out this quarter at the BLH Facility, with scheduling of the first production to be confirmed in the near future. The new Beckett's THC-infused beverages are planned to be sold and distributed California-wide through BLH's best-in-class and rapidly expanding distribution division, Sulo, whose beverage distribution clients include Mary Jones, Cann and other leading, category-creating brands. Sulo will also be providing Tinley's with sales support throughout the entire state of California. The Company also expects to be able to deliver THC-infused beverages directly to customers' homes throughout California.

Appointment of Mr. Shreyas Balakrishnan to Tinley's Board of Directors

Tinley's is pleased to announce the appointment of Mr. Shreyas Balakrishnan to the Company's board of directors. Mr. Balakrishnan is the Chief Executive Officer of the Company's strategic partner, Blaze Life Holdings. Prior to joining BLH, Mr. Balakrishnan spent almost 20 years with Anheuser-Busch (AB) InBev (NYSE:BUD), last serving as President of Cutwater Spirits. Mr. Balakrishnan also helmed Anheuser-Busch's Elysian Brewing Co. as President and General Manager, where he successfully planned and executed the national expansion of the regional, Seattle-based brand. He also held key leadership positions across Anheuser-Busch brewing and distribution operations, as well as leading integration for the North American acquisitions.

"We are delighted to welcome a director of Mr. Balakrishnan's pedigree and experience to Tinley's board," said Teddy Zittell, Tinley's CEO and director. "We have begun working together with Shreyas to build sustainable production, distribution and sales relationships for Beckett's no-alcohol and Beckett's HD9 THC-infused lines through his expansive and impressive industry networks," he added.

Private Placement and Debt Settlement

Pursuant to the closing of the oversubscribed Private Placement and Debt Settlement, the Company issued an aggregate of 80,000,000 Units, including 58,660,000 Units under the Private Placement and 21,340,000 Units under the Debt Settlement. Each Unit consists of one (1) common share in the capital of the Company (each a "**Common Share**") and one (1) Common Share purchase warrant (each, a "**Warrant**"). Each Warrant will entitle the holder to purchase one (1) Common Share at a price of $0.05 per Common Share until the date which is three (3) years from the date of closing.

As previously announced, the closing of the Private Placement resulted in the creation of a new Control Person (as defined in the Policies of the Canadian Securities Exchange (the "**CSE**")), being Press Media LLC, and, as a result, the Private Placement is deemed to have Materially Affected Control (as defined in the Policies of the CSE) of the Company. The Company confirms that it was granted CSE approval to avoid seeking securityholder approval for the Private Placement and Debt Settlement and the creation of a new Control Person in reliance on the exceptions outlined in section 4.6(2)(b) of CSE Policy 4, as the Company is in serious financial difficulty. The Company's independent directors determined that the Private Placement and Debt Settlement are in the best interests of the Company and reasonable based on the Company's current financial circumstances in order keep the Company solvent; the Company's independent directors have determined that a rights offering to existing securityholders on the same terms would not be feasible to complete in the time frame necessary to allow the Company to meet its obligations, including fulfilling new and existing purchase orders.

As also previously announced, the Company confirms that certain insiders (or Related Parties under CSE Policies) of the Company subscribed for an aggregate of 2,800,000 Units under the Private Placement for an aggregate subscription price of $70,000 (the "**Insider Subscriptions**") and that the Company has settled an aggregate of $500,000 of indebtedness owing to certain insiders under the Debt Settlement (the "**Insider Settlements**"). The Insider Subscriptions and Insider Settlements are considered related party transactions under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements provided under Sections 5.5(b) and 5.7(b) of MI 61-101 to complete the Insider Subscriptions and under Sections 5.5(b) and 5.7(a) of MI 61-101 to complete the Insider Settlements. The Company received CSE approval for an exemption to waive the application of Section 4.6(2)(b)(iii) of CSE Policy 4 in connection with such transactions, which if not waived would have prevented such insiders from participating in the Private Placement and Debt Settlement due to the creation of the new Control Person. Please see the Company's news release dated January 19, 2024 for additional details regarding the Insider Settlements.

The Company did not file a material change report in respect of the related party transactions less than 21 days prior to the closing of the Private Placement and the Debt Settlement, which the Company deems reasonable in the circumstances so as to be able to avail itself of the proceeds of the Private Placement and settle indebtedness under the Debt Settlement in an expeditious manner.

The Company intends to use the net proceeds from the Private Placement to fund its ongoing business initiatives and for general corporate and working capital purposes. More specifically, the Company intends to invest a substantial portion of the proceeds raised from the Private Placement to fund the production of Beckett's no-alcohol and new Beckett's HD9 THC-infused product lines. Tinley's expects its investments in these two high-demand Beckett's-branded product lines to return cash from sales to the Company within 45-60 days of its investments in production based on historical metrics and anticipates continuing to reinvest profits from sales into funding branded product growth and to satisfy historical and ongoing obligations going forward. Notwithstanding the Company's expectations relating to the estimated timeline to receive a return on its production investments, there can be no assurances as to whether such timeline will be accurate.

All securities issued under the Private Placement and Debt Settlement, including securities issuable on exercise thereof, are subject to a hold period expiring four (4) months and one (1) day from the date of issuance, with the exception of the securities underlying the 2,800,000 Units issued to certain employees and officers of the Company which are not subject to any hold period as approved by the CSE.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in the United States nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws and may not be offered or sold in the United States unless registered under the 1933 Act and any applicable securities laws of any state of the United States or an applicable exemption from the registration requirements is available.

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, management's expectations regarding growth and phrases containing words such as "ongoing", "estimates", "intends", "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 ability of the Company to implement its distribution strategies and integrate its operations into the BLH Facility, the timing of production of the Company's new THC-infused products, the timing of the receipt of all final CSE approvals for the Private Placement and Debt Settlement, use of proceeds from the Private Placement, 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, and changes in consumer tastes and preferences. 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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