Tinley's Provides Corporate Update and Announces the Debt Settlement and Private Placement of up to an Aggregate of $7 Million in Value

FOR IMMEDIATE RELEASE

TORONTO, Ontario and LOS ANGELES, California, July 8, 2024 – The Tinley Beverage Company Inc. (CSE:TNY; OTC:TNYBF) ("**Tinley's**" or the "**Company**") is pleased to announce its proposed settlement of approximately CDN$1.8 million of secured debt owing to Blaze Life Holdings, LLC ("**BLH**") under the terms of BLH's June 2022 up to US$3.5 million secured promissory grid note (the "**BLH Note**") at a deemed price of CDN$0.18 per unit (each, a "**Unit**"), with each Unit comprised of five common shares (each, a "**Share**") and five common share purchase warrants (each, a "**Warrant**"), with each Warrant exercisable into a Share for up to three years from the closing date, its related sale of its bottling line for approximately CDN$3.5 million to BLH and concurrent private placement. All such transactions are expected to close on or about August 5, 2024.

Elimination of BLH Debt and Revised Business Focus

Under the leadership of new CEO, Larry Weintraub, Tinley's will be exiting the co-packing business in order to streamline the Company's focus and resources on the production, sales and brand building of its Beckett's no-alcohol, HD9 infused and cannabis infused beverages. In connection with its revised strategy, Tinley's has agreed to sell its bottling line equipment to BLH, its strategic partner, to settle the approximately CDN$3.5 million balance of its indebtedness under the BLH Note in full satisfaction of such indebtedness. Tinley's will continue to pay USD$55,000 in rent to BLH until the end of September 2024 for the use of BLH's Canoga Park facility. Tinley's will also be entitled to receive 100% of revenues earned from the bottling line until the end of September 2024. After September 2024, Tinley's will no longer be paying BLH any monthly fees and its previously announced Management Services Agreement with BLH will terminate, which will result in a reduction in operating expenses of US$660 thousand per year thereafter. This significant annual cost saving is in addition to the estimated annual cost savings of an estimated US$1 million that originally resulted from the relocation of the Company's bottling assets to BLH's Canoga Park facility.

"We need to clean-up our balance sheet, get rid of the heavy load of historical debt, and improve our earnings. That needs to be a top priority." said CEO, Larry Weintraub. "I took this job because I believe in Tinley's products, and I genuinely believe that Tinley's is poised for great success. We need to have one identity and that is the production and sales of the best line of no-alcohol, HD9 and cannabis infused beverages. Tinley's has the very best product out there and we need to devote every resource we can to making sure the world knows we have the best product."

BLH CEO and director of Tinley's, Shreyas Balakrishnan said, "This transaction is a win-win for everyone. BLH gets a state-of-the-art bottling line and shares of Tinley's, while Tinley's gets rid of a huge amount of debt. All eyes are now focused on creating significant shareholder value by getting Tinley's stock price up. This is where our focus needs to be, and we are all aligned together on this."

Private Placement and Debt Settlement

In addition, the Company announces that it intends to settle up to approximately CDN$84 thousand of outstanding officer fees owing to its former CEO by way of the proposed issuance of up to 467,000 Units at a deemed price of $0.18 per Unit. Tinley's also announces that it intends to settle the indebtedness under its US$612,250 secured promissory note held by Richard Gillis by way of the issuance of Units (collectively with the BLH debt settlement, the "**Debt Settlement**").

Tinley's confirms that other investors, including one director, are expected to participate in a private placement of Units (the "**Private Placement**") at the price under which the above-noted transactions will be completed, subject to the approval of the CSE. These transactions are intended to drastically decrease Tinley's outstanding indebtedness, and incentivize potential new investment in the Company. The Company intends to rely on exemptions from the formal valuation and minority approval requirements for the above-noted transactions in sections 5.5(g) and 5.7(e) of MI 61-101 – *Protection of Minority Security Holders in Special Transactions* in respect of above-noted transactions.

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. Additional details relating to the Debt Settlement and Private Placement will be announced once the precise terms of such transactions are confirmed.

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 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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