FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **TARGET CAPITAL INC.** (the "Issuer").

Trading Symbol: **TCI**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

(b) A description of the transaction(s), including those for which no amount has been recorded.

(c) The recorded amount of the transactions classified by financial statement category.

(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

(e) Contractual obligations with Related Persons, separate from other contractual obligations.

(f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) number and recorded value for shares issued and outstanding,

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director	Position(s) Held
Shahin Mottahed	Director, President, Chief Executive Officer
Gregory G. Turnbull	Director
Matteo Volpi	Director
Chad Oakes	Director
Dave Cheadle	Chief Financial Officer
Sony Gill	Corporate Secretary

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

See Management Discussion and Analysis attached.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated November 28, 2019.

Colin Wagner
Name of Director or Senior Officer

(signed) *"Colin Wagner"*
Signature

Chief Financial Officer
Official Capacity

Issuer Details Name of Issuer Target Capital Inc.	For Quarter Ended September 30, 2019	Date of Report YY/MM/D 19/11/28
Issuer Address 4300, 888 3rd Street SW		
City/Province/Postal Code Calgary, Alberta, T2P 5C5	Issuer Fax No. ( )	Issuer Telephone No. (403) 351-1779
Contact Name Colin Wagner	Contact Position Chief Financial Officer	Contact Telephone No. (403) 351-1779
Contact Email Address colin@cbi2.com	Web Site Address www.cbi2.com	

Schedule A

TARGET CAPITAL INC.

Condensed Consolidated Interim Financial Statements
September 30, 2019
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements of Target Capital Inc. (the "Company") have been prepared by and are the responsibility of the Company's management.

In accordance with National Instrument 51-102, the Company discloses that its independent auditor has not performed a review of these unaudited condensed interim financial statements.

TARGET CAPITAL INC.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)

(In Canadian dollars)	Notes	As at September 30, 2019	As at March 31, 2019
ASSETS			
Current assets			
Cash		$2,205,390	$2,767,824
Accounts receivable	10	193,658	252,392
Convertible notes receivable	4	513,393	117,513
Prepaid expenses		29,952	3,392
Total current assets		**2,942,393**	**3,141,121**
Non-current assets			
Investments in private companies	5,10	16,032	16,032
Other investments	6,10	233,333	325,000
Equipment and leasehold improvements		5,736	6,549
Total non-current assets		**255,101**	**347,581**
Total assets		**$3,197,494**	**$3,488,702**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		$ 181,707	$ 115,194
Total current liabilities		**181,707**	**115,194**
Total liabilities		**181,707**	**115,194**
Equity			
Share capital	7	5,130,024	5,130,024
Warrants	7	1,844,165	1,844,165
Contributed surplus		2,310,260	2,310,260
Accumulated other comprehensive income	6	148,426	240,093
Accumulated deficit		(6,416,993)	(6,150,939)
Equity attributable to owners of the Company		**3,015,882**	**3,373,603**
Non-controlling interest		(95)	(95)
Total equity		**3,015,787**	**3,373,508**
Total liabilities and equity		**$3,197,494**	**$3,488,702**

Approved by the Board of Directors and authorised for issue on November 27, 2019

"Gregory Turnbull

"Chad Oakes"

The accompanying notes are integral part of these condensed consolidated interim financial statements

TARGET CAPITAL INC.

Condensed Consolidated Interim Statements of Operations

(Unaudited)

(In Canadian dollars)	Notes	Three months ended September 30 2019	Three months ended September 30 2018	Six months ended September 30 2019	Six months ended September 30 2018
Revenue					
Private company investment fees		$ 152,971	$126,681	$ 328,058	$238,403
Interest		4,349	-	4,349	-
Total revenue		**157,320**	**126,681**	**332,407**	**238,403**
Expenses:					
Business development expense		47,010	-	67,010	-
Depreciation		407	406	813	761
Depreciation of intangible asset		-	4,463	-	6,694
General and administration		79,825	147,890	103,024	337,215
Professional fees		99,215	19,752	110,518	30,502
Rent payments		-	20,583	-	39,560
Provision for expected credit losses	10	100,198	-	172,293	-
Royalties		14,065	15,664	25,145	26,240
Salaries and related costs including payments to consultants	3	61,892	105,998	119,658	235,247
Total expenses		**402,612**	**314,756**	**598,461**	**676,219**
Loss from operations		**(245,292)**	**(188,075)**	**(266,054)**	**(437,816)**
Income tax expense		-	-	-	-
Loss for period		**(245,292)**	**(188,075)**	**(266,054)**	**(437,816)**
Other comprehensive loss					
Unrealised loss on other investments		(33,334)	-	(91,667)	-
Total comprehensive loss for the period		**$(278,626)**	**$(188,075)**	**$(357,721)**	**$(437,816)**
Net loss and comprehensive loss attributable to:					
Owners of the Company		$(278,626)	$(188,075)	$(357,721)	$(437,816)
Non-controlling interest		-	-	-	-
		$(278,626)	**$(188,075)**	**$(357,721)**	**$(437,816)**
Loss per share					
Basic and diluted loss per share		$0.00	$0.00	$0.00	$0.00
Weighted average number of common shares outstanding		106,715,629	106,715,629	106,715,629	102,743,211

The accompanying notes are integral part of these condensed consolidated interim financial statements

TARGET CAPITAL INC.

Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited)

(In Canadian dollars)	Notes	Share capital	Warrants	Contributed surplus	Accumulated other comprehensive income	Accumulated deficit	Non-controlling interest	Total equity
Balance as at March 31, 2018		$4,617,344	$1,659,646	$2,310,260	$165,093	$(5,219,755)	$(95)	$3,532,493
Shares issued		465,581						465,581
Warrants issued			231,618					231,618
Loss for the period		-	-	-	-	(437,816)	-	(437,816)
Balance as at September 30, 2018		**$5,082,925**	**$1,891,264**	**$2,310,260**	**$165,093**	**$(5,657,571)**	**$(95)**	**$3,791,876**
Balance as at March 31, 2019		$5,130,024	$1,844,165	$2,310,260	$240,093	$(6,150,939)	$(95)	$3,373,508
Other comprehensive loss		-	-	-	(91,667)			(91,667)
Loss for the period		-	-	-	-	(266,054)	-	(266,054)
Balance as at September 30, 2019		**$5,130,024**	**$1,844,165**	**$2,310,260**	**$148,426**	**$(6,416,993)**	**$(95)**	**$3,051,787**

The accompanying notes are integral part of these condensed consolidated interim financial statements

TARGET CAPITAL INC.

Condensed Consolidated Interim Statements of Cash Flow
(Unaudited)

(In Canadian dollars)	Notes	Three months ended September 30 2019	Three months ended September 30 2018	Six months ended September 30 2019	Six months ended September 30 2018
Operating activities					
Net loss for the period		$ (245,292)	$ (188,075)	$ (266,054)	$ (437,816)
Adjusted for the following:					
Depreciation of equipment and leasehold improvements		407	406	813	761
Amortization of intangible asset - shareholders agreement		-	4,463	-	6,694
Provision for impairment		-	-	-	-
Net change in non-cash working capital	9	(303,169)	(200,591)	(297,193)	(15,150)
Cash used in operating activities		**(548,054)**	**(383,797)**	**(562,434)**	**(445,511)**
Financing activities					
Proceeds from private placements net of issuance cost		-	626,262	-	626,262
Warrants exercised		-	70,937	-	70,937
Cash provided by financing activities		**-**	**697,199**	**-**	**697,199**
Investing activities					
Acquisition of other investments		-	-	-	(427,511)
Purchase of equipment and leasehold improvements		-	-	-	(8,123)
Long-term bonds		-	(40)	-	(40)
Cash used in investing activities		**-**	**(40)**	**-**	**(435,674)**
(Decrease)/increase in cash		(548,054)	313,362	(562,434)	(183,986)
Cash and cash equivalents, beginning of period		2,753,444	2,532,731	2,767,824	3,030,079
Cash and cash equivalents, end of period		$2,205,390	$2,846,093	$2,205,390	$2,846,093

The accompanying notes are integral part of these condensed consolidated interim financial statements

1. REPORTING ENTITY

Target Capital Inc. (the "Company" or "Target") was incorporated under the Business Corporations Act of Alberta, Canada and is listed on the TSX Venture Exchange and Canadian Securities Exchange under the symbol "TCI". The Company's head office is located at Suite 4300, 888 – 3rd Street SW in Calgary, Alberta.

The consolidated financial statements of Target Capital Inc. comprise the accounts of the Company and its subsidiary Industrial Avenue Development Corp. (95% owned) (together referred to as the "Company").

Target's principal activities include the administration and growth of its portfolio of private company investments as well as the continued sourcing and evaluating of strategic alternatives to enhance shareholder value.

Starting in 2009, Target began acquiring controlling interests in private companies. The nature of the Company's investment in the private companies enables the debt securities of the companies to be eligible for Deferred Plans. A Deferred Plan is a registered retirement savings plan, registered education savings plan, registered retirement income fund, a locked-in retirement account or a tax-free savings account. The promoters managing these companies use the capital raised at their own discretion, without reliance on the management or resources of Target. Target's management and capital are not committed to these private companies.

Target earns fees from each company for enabling these companies to raise funds from Deferred Plans. The annual fee is generally the greater of $2,500 or 0.5% of the total capital raised by each private company from Deferred Plans. The private companies have raised capital via investments from Deferred Plans varying in size from nil to several million dollars.

2. BASIS OF PRESENTATION

A) STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting and follow the same accounting policies and methods of application as the Company's most recent annual financial statements. Accordingly, they should be read in conjunction with the Company's most recent annual financial statements.

These consolidated financial statements have been approved and authorized for issuance by the Board of Directors as of November 26, 2019.

B) ADOPTION OF NEW ACCOUNTING POLICIES

IFRS 16*, Leases*

In January 2016, the IASB issued IFRS 16 "Leases," which replaces IAS 17 "Leases." For lessees applying IFRS 16, a single recognition and measurement model for leases would apply, with required recognition of assets and liabilities for most leases. The standard will came into effect for annual periods beginning on or after January 1, 2019, with earlier adoption permitted if the entity is also applying IFRS 15 "Revenue from Contracts with Customers." The Company has adopted IFRS 16 for the current financial period, but does not currently have any lease obligations and IFRS 16 is not expected to have any impact on the Company's consolidated financial statements.

(Unaudited – in Canadian dollars)

3. RELATED PARTY TRANSACTION

Operating transactions

Through common shareholding and/or directorship, the Company is related to the following entities. The related entities during the period ended September 30 are:

2019	**2018**
51st Parallel Inc.	51st Parallel Inc.
Cheadle Investments Inc.	Cheadle Investments Inc.
Black Spruce Merchant Capital	Black Spruce Merchant Capital

There were no related party transactions with 51st Parallel Inc. and Black Spruce Merchant Capital. The fees paid to Cheadle Investments Inc. are included in the key management compensation.

Key management compensation

Key management personnel are the persons responsible for the planning, directing and controlling of the activities of the Company and includes both executive and non-executive directors. The Company considers all of its directors and executive management team members to be key management personnel.

Key management personnel compensation during the six months ended September 30, 2019 and 2018 comprises:

	2019	2018
Salaries, bonuses and other benefits	$119,658	$139,370
	$119,658	**$139,370**

4. CONVERTIBLE NOTE RECEIVABLE

	September 30, 2019	March 31, 2019
JAEB Designs, Inc.	$117,513	$117,513
Intev Technologies LLC	395,880	-
	$513,393	**$117,513**

During 2018, the Company made a US$90,000 (CDN $117,513) investment in JAEB Designs, Inc. ("Jaeb"). Jaeb is a Denver-based, early-stage engineering company focused on designing and manufacturing cannabis accessories. The investment is structured as a convertible note which matures on May 31, 2020 and accrues interest of 8%. The convertible note allows the Company to convert the promissory note into common stock, at $0.0035 par value per share, and the maturity date of May 31, 2020. The Company's management team assessed fair value of this hybrid contract in its entirety and determined that due to a wide range of possible valuations and recent issuance of the note, cost was the best estimation of fair value. No significant changes in credit risk have been assessed surrounding the borrower.

(Unaudited – in Canadian dollars)

4. CONVERTIBLE NOTE RECEIVABLE (continued)

During 2019, the Company made a US$300,000 (CDN $395,880) investment in Intev Technologies, LLC ("Intev"). Intev is a Brooklyn-based hardware technology company focused on designing and manufacturing luxury personal vaporizing devices. The investment is structured as a convertible note which will mature on September 9, 2021 and accrues interest at a rate of seven (7%) per annum. The Company's management team assessed fair value of this hybrid contract in its entirety and determined that due to a wide range of possible valuations and recent issuance of the note, cost was the best estimation of fair value. No significant changes in credit risk have been assessed surrounding the borrower.

5. INVESTMENTS IN PRIVATE COMPANIES

The Company's investments in private companies were as follows:

	September 30, 2019	March 31, 2019
Private company securities, at the beginning of the period	$16,032	$16,032
Private company securities, at the end of the period	**$16,032**	**$16,032**

In line with its principal activities, the Company had acquired a majority of the voting shares in 37 (March 31, 2019 -37) private companies in the prior years. The Company's maximum exposure to losses is limited to its initial investment in each private company. Total exposure amounts as at September 30, 2019 is $16,032 (March 31, 2019 - $16,032). These investments are measured at fair value through other comprehensive income.

6. OTHER INVESTMENTS

	Fair value at March 31, 2019	**Provision for impairment**	**Fair value decrease**	**Fair value at September 30, 2019**
YSS Corp.	$325,000	-	$(91,667)	$233,333
Total	**$325,000**	**-**	**$(91,667)**	**$233,333**

On September 28, 2018 acquired 5,000,000 common shares of Solo Growth Corp. ("Solo") for $250,000. Solo is publicly listed cannabis retail operator executing on a vision to become a premier retailer and trusted destination of cannabis in Canada. On March 31, 2019 the common shares had a market value of $0.06 per share and the Company recorded an unrecognized gain on its investment of $75,000. On September 17, 2019 Solo completed a name change to YSS Corp. and a 1:6 share consolidation. The Company now holds 833,333 shares of YSS Corp. On September 30, 2019 the common shares had a market value of $0.32 per share resulting in a net unrecognized gain of $16,667. The decrease in the unrecognized gain between March 30, 2019 and September 30, 2019 of $(91,667) has been recorded through other comprehensive income.

(Unaudited – in Canadian dollars)

7. SHARE CAPITAL AND WARRANTS

Authorized share capital:
Unlimited number of common voting shares.

Issued and outstanding – share capital and warrants:

	Common shares		Warrants	
	Number of shares	**Amount**	**Number of warrants**	**Amount**
Balance at March 31, 2018	95,568,539	$4,617,344	54,650,021	$ 1,659,646
Issued in private placement	10,437,715	420,220	5,218,858	206,042
Warrants exercised	709,375	92,460	(709,375)	(21,523)
Balance at March 31 and September 30, 2019	**106,715,629**	**$5,130,024**	**59,159,504**	**$1,844,165**

Warrants
A summary of the changes in the Company's share purchase warrants is as follows:

	Number of Warrants	Exercise Price
Balance at March 31, 2019	**59,159,504**	$0.10
Balance at September 30, 2019	**59,159,504**	**$0.10**

The share purchase warrants outstanding and exercisable at September 30, 2019 are:

Number of warrants	Exercise price	Expiry date
53,940,646	$0.10	December 15, 2022
5,218,858	$0.10	June 26, 2023
59,159,504		

8. LOSS PER SHARE

The calculation of loss per share for the period ended September 30, 2019 and 2018 is based on a loss attributable to owners of the Company of $266,054 (2018 - $437,816). Warrants were anti-dilutive during period ended September 30, 2019 and 2018.

	2019			2018		
	Net loss	**Weighted average common shares**	**Loss per share**	Net loss	Weighted average common shares	Loss per share
Basic/Diluted	**$266,054**	**106,715,629**	**$ -**	$437,816	102,743,211	$ -

(Unaudited – in Canadian dollars)

9. SUPPLEMENTARY CASH FLOW INFORMATION

Changes in non-cash working capital comprises:

	Three months ended September 30		Six months ended September 30	
	2019	**2018**	**2019**	**2018**
Source/(use) of cash:				
Accounts receivables including accounts receivable from related party	$ 51,956	$(140,907)	$ 58,734	$ 23,419
Convertible note receivable	(395,880)	-	(395,880)	-
Prepaid expenses	(29,952)	9,983	(26,560)	(19,967)
Accounts payable and accrued liabilities	70,707	(69,667)	66,513	(4,598)
Due to related parties	-	-	-	(14,004)
Net change in non-cash working capital	**(303,169)**	**$(200,591)**	**$(297,193)**	**$(15,150)**

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments consist of items that will result in future cash receipts, such as: recorded amounts of accounts receivable, accounts receivable – related party, convertible note receivable, investments in private companies and other investments. They also include items that will result in future cash outlays, including accounts payable, accrued liabilities and due to related parties, items that will result in future cash outlays, including bank indebtedness, accounts payable and accrued liabilities.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management framework. The Board of Directors reviews, with management, the risks faced by the Company and the systems that have been put in place to manage these risks.

The Company is exposed to the following risks in respect of certain of the financial instruments held.

Fair value of investments:

The Company's carrying value of accounts receivable, accounts receivable – related party, accounts payable, accrued liabilities and due to related parties.

Cash and cash in trust, convertible note receivable, investments in private companies, and other investments are recorded at fair value.

Fair value measurements of financial assets and liabilities recognized in the consolidated statements of financial position are categorized using the following fair value hierarchy:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data.

(Unaudited – in Canadian dollars)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The levels in the fair value hierarchy into which the company's financial assets and liabilities are measured and recognized in the statements of financial position at fair value are categorized as follows:

Cash – Level 1
Cash in trust – Level 1
Other investments – Level 1
Investments in private companies – Level 3
Convertible note receivable – Level 3

Level 3 fair value hierarchy

The following table presents the changes in fair value measurements classifies at Level 3 of the fair value hierarchy. The financial instruments are measured at fair value utilizing market inputs. The net realized gains or losses on disposal of investments and convertible note receivable and the net change in unrealized gains or loss are recognized in the statements of income and comprehensive income.

Investment	Opening balance	Acquisitions	Net unrealized loss	Ending balance
YSS Corp.	$325,000	-	$(91,667)	$233,333
Jaeb	$117,513	-	-	$117,513
Intev	-	$395,880	-	$395,880
Private companies	$ 16,032	-	-	$ 16,032

The following table presents the valuation techniques and the nature of significant inputs used to determine the fair value of the Level 3 investments as at September 30, 2019:

Investments	Total fair value	Method	Unobservable inputs
Other investments	$233,333	Monte Carlo	Market prices, volatility, discount rate
Convertible notes receivable	$117,513	Transaction price	Recent purchase price
Private companies	$ 16,032	Discounted cash flow	Discount rate

Risk management

The Company is exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Capital management risk.

(a) Credit risk:

Credit risk arises from the potential that a counterparty will fail to perform its contractual obligations and arises principally from the Company's receivables from customers. The carrying amount of accounts receivable, accounts receivable – related party and convertible note receivable represents the maximum credit exposure.

(Unaudited – in Canadian dollars)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The Company is exposed to credit risk from its accounts receivable arising from investment fees charged to private companies, and the convertible note receivable for the Company's investment in Jaeb. The credit risk is influenced mainly by the individual credit characteristics of each private company. Geographically, there is a concentration of risk in the Alberta province. The Company makes use of the following techniques to reduce its credit risk:

- Private companies do not receive final approval, and therefore cannot raise funds, until the investment fee for the first year ($2,500) is paid;
- The Company does not require collateral with respect to accounts receivable. The Company has a significant number of customers being the private companies in which it has investments in, which minimizes concentration of credit risk. Accounts receivable are monitored on a regular basis.

At September 30, 2019, the Company had $390,651 in receivables outstanding for more than 91 days, totalling 71% of outstanding receivables before provision for expected credit losses (March 31, 2019 - $201,422 and 46%). Management believes all amounts, net of the provision for expected credit losses, are collectable.

	September 30, 2019	**March 31, 2019**
Current	$ 144,721	$ 60,395
31 to 60 days past due	-	108,034
61 to 90 days past due	11,434	63,489
91 days or more past due	390,651	201,422
	546,806	**433,340**
Less: Provision for expected credit losses	**(353,148)**	**(180,948)**
	$193,658	**$252,392**

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, accounts receivables have been grouped based on the days past due.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and forecasting process which helps determine the funds required to ensure the Company has the appropriate liquidity to meet the operational requirements. The Company's liquidity is adequate for the settlement of short-term financial obligations.

As at September 30, 2019, the Company has adequate cash to pay its liabilities as and when they fall due.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(c) Capital risk management

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, to meet its capital expenditures for its continued operations, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, or acquire or dispose of assets. As at September 30, 2019, the Company has not entered into any debt financing. The Company is not subject to externally imposed capital requirements. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

11. SUBSEQUENT EVENTS

On November 27, 2019 the Board of Directors of the Company approved an Incentive Stock Option Plan (the 'Plan'). The Plan allows the Company to issue total stock options of up to 10%, on a non-diluted basis, of the common shares issued and outstanding of the Company. The Plan has been conditionally approved by the TSX Venture Exchange, subject to the formal approval of the plan by the shareholders of the Company at the next annual general meeting and the filing of documents in this regard with the TSX Venture Exchange.

On November 27, 2019 the Company issued a total of 5,500,000 stock options with an exercise price of $0.05 to various directors and officers of the Company.

Target Capital Inc.
Management Discussion and Analysis
For the period September 30, 2019 and 2018
(In Canadian dollars)

This Management's Discussion and Analysis ("MD&A") is provided to enable a reader to assess the financial position and results of operations of Target Capital Inc. (the "Company", or "Target") for the period ended September 30, 2019.

This MD&A should be read in conjunction with Target's condensed consolidated financial statements for the period ended September 30, 2019, as well as the MD&A found in Target's 2019 Annual Report, together with the audited consolidated financial statements and accompanying notes found therein.

This document presents the views of management as at November 27, 2019. Additional information on Target can be found on SEDAR at www.sedar.com.

Information contained in the MD&A is presented on the same basis as the financial statements and was prepared in accordance with International Financial Reporting Standards ("IFRS") and is presented in Canadian dollars, Target's functional currency.

All financial figures are in 000s of Canadian dollars unless otherwise noted.

FORWARD-LOOKING STATEMENTS

The MD&A contains forward-looking statements and information within the meaning of applicable securities legislation. A statement we make is forward-looking when it uses what we know today to make a statement about the future. Forward-looking statements may include words such as *anticipate, believe, could, expect, intend, may, objective, plan and will*. The forward-looking statements contained or incorporated by reference in this Management Discussion and Analysis are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict. Target cautions readers against placing reliance on forward-looking statements when making decisions, as the actual results could differ appreciably from the opinions, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements, due to various material factors. These factors include, among other things, capital market activity; changes in government monetary, fiscal and economic policies; changes in interest rates, inflation levels and general economic conditions; legislative and regulatory developments; competition; credit ratings; scarcity of human resources; and technological environment.

Forward-looking statements include, but are not limited to, statements with respect to (1) capacity to deliver results (2) risk framework (3) liquidity (4) trade receivables, and (5) income taxes. All statements, other than statements of historical fact, which address activities, events or developments that we expect or anticipate will or may occur in the future, are forward-looking statements. We include forward-looking statements because we believe it is important to communicate our expectations to our investors. However, all forward-looking statements are based on management's current expectations of future events and are subject to risk and uncertainty.

There have been no events or circumstances that have occurred during the period to which the MD&A relates, or to a period that is not yet complete, that are reasonably likely to cause actual results to differ materially from the forward-looking information identified in this MD&A.

The Company does not undertake to update any forward-looking statements, whether oral or written, made by itself or on its behalf, except to the extent required by securities regulations. The foregoing list of factors is not necessarily exhaustive.

COMPANY OVERVIEW

Target was incorporated on June 8, 1993, under the Business Corporations Act of Alberta. The Company has investments in listed public companies and private real estate development companies. The Company also makes investments in a majority of the voting shares of certain private companies. The Company receives its revenues from dividends, interest income and investment company fees.

The Company listed its shares on the TSX-Venture exchange (Symbol "TCI") on December 19, 2008 and on the Canadian Securities Exchange (CSE) on July 8, 2014 (Symbol "TCI").

The Company's registered office is located at Suite 4300 Bankers Hall West, 888 – 3rd Street S.W., Calgary, AB, T2P 5C5.

OUR INVESTMENT BUSINESS

Since its inception, Target has made strategic investments in companies that show strong potential for future growth. Historically, these have been 'buy and hold' type investments; however, Target has also made some short-term investments. These investments include listed companies, small start-up operations, and land development corporations.

Starting in 2009, Target began acquiring controlling interests in private companies. The nature of the Company's investment in the private companies enables the debt securities of the companies to be eligible for Deferred Plans. A Deferred Plan is a registered retirement savings plan, registered education savings plan, registered retirement income fund, a locked-in retirement account or a tax-free savings account. The promoters managing these companies use the capital raised at their own discretion, without reliance on the management or resources of Target. Target's management and capital are not committed to these private companies.

Target earns fees from each company for enabling these companies to raise funds from Deferred Plans. The annual fee is generally the greater of $2,500 or 0.5% of the total capital raised by each private company from Deferred Plans. The private companies have raised capital via investments from Deferred Plans varying in size from nil to several million dollars.

Although Target has legal control over these private companies, it does not have control in accordance with IFRS because of inability of our decisions to influence our returns and the restricted nature of the decision that we can make which do not constitute "relevant decisions" as defined in IFRS 10 *Consolidation*.

On September 9, 2019 the Company announced that it had closed a strategic investment into Intev Technologies, LLC, ('Intev') a Brooklyn, New York based hardware technology company and the maker of Zepto, the first credit card sixed vaporizer. The Company purchased US$300,000 of 7% senior secured convertible debentures of Intev. The debentures mature on September 9, 2021, and, on the Company's election, are convertible into common shares of Intev. At any time prior to the maturity date the Company has the right to initiate a go-public transaction pursuant to which Intev would be listed on a recognised Canadian stock exchange by way of an initial public offering, plan of arrangement, amalgamation, reverse take-over or other form of business combination. The Company holds this investment as a component of convertible notes receivable on its balance sheet.

OUTLOOK

The Company continues to explore and evaluate strategic alternatives to enhance shareholder value. The Company currently has approximately 106.7 million common shares outstanding and approximately 59.2 million Warrants with an exercise price of $0.10 and a current cash balance of over $2.2 million. The Company also has a reported current non-cash working capital balance of over $555,000 and holds 833,333 in common shares of YSS Corp., a publicly listed cannabis retail operator. The Company's existing revenue base from its private company fees is expected to fund a material portion of the Company's annual operating costs.

QUARTERLY HIGHLIGHTS

The following tables sets forth selected financial information of the Company for the three and six months ended September 30, 2019:

Balance sheet highlights

	As at September, 30, 2019	**As at March 31, 2019**
Cash	$2,205	$2,768
Convertible notes receivable	513	118
Current assets	2,942	3,141
Other investments	233	325
Total assets	3,197	3,489
Current liabilities	182	115
Shareholders' equity	3,016	3,374
Total liabilities and shareholders' equity	$3,197	$3,489

Cash flow highlights

	Three months ended September 30		**Six months ended September 30**	
	2019	**2018**	**2019**	**2018**
Net cash provided (used) by				
Operating activities	$ (548)	$ (384)	$(563)	$ (445)
Financing activities	-	697	-	697
Investing activities	-	-	-	(436)
Increase (decrease) in cash	(548)	313	(563)	(184)
Cash beginning of period	2,753	2,533	2,768	3,030
Cash at end of period	$2,205	$2,846	$2,205	$2,846

SUMMARY OF RESULTS

	Three months ended September 30		Six months ended September 30	
	2019	**2018**	**2019**	**2018**
Revenue				
Private company investment fees	$ 153	$127	$ 328	$238
Interest	4	-	4	-
Total revenue	**157**	**127**	**332**	**238**
Expenses:				
Business development expense	47	-	67	-
Depreciation	-	-	-	-
Depreciation of intangible asset	-	4	-	7
General and administration	80	148	103	337
Professional fees	99	20	111	31
Provision for expected credit losses	100	-	172	-
Rent payments	-	21	-	40
Royalties	14	16	25	26
Salaries and related costs including payments to consultants	62	106	120	235
Total expenses	**402**	**315**	**598**	**676**
Loss from operations	**(245)**	**(188)**	**(266)**	**(438)**
Income tax expense	-	-	-	-
Loss for period	**$(245)**	**$(188)**	**$(266)**	**$(438)**

For the three and six months ended September 30, 2019, the Company has reported net losses from operations of $245 and $266 respectively compared to a net losses of $188 and $438 for the comparative periods in 2018.

The key components contributing to the change in net loss from the three months ended in June 30, 2019 compared to the three months ended June 30, 2018 comprise the following:

- Private company investment fees – increased to $153 and $328 for the three and six months ended September 30, 2019 respectively, up from $127 and $238 for the similar periods in 2018 due primarily to an increase in the amount of capital the Company's private company clients raised during the period.
- Interest income – increased to $4 for both the three and six months ended September 30, 2019 compared to nil for the comparative periods in 2018 due to the recognition of interest on the Intev debentures in the current period, and the placement of the Company's excess cash into low risk interest bearing accounts.
- Business development expense – increased to $67 for the six months and $47 for the three months ended September 30, 2019 compared to nil for both comparative periods in 2018 due increased business development activities in the current periods.
- Provision for expected credit losses – Increased to $100 for the three months and to $172 for the six months ended September 30, 2019, up from nil for both periods in 2018. This increase is due to a decision to recognize expected credit losses on a quarterly basis for the current reporting year as opposed to only recognizing these costs at year end as was done previously. Management

considers this to be more reflective of the actual economic reality of the Company and reports the expected credit losses in the periods where cost is incurred.

- General and administration expense – decreased from $148 for the three months ended September 30, 2018 to $80 for the same period in 2019, and decreased from $337 for the six months ended September 30, 2018 to $103 for the six months ended September 30, 2019. The Company took steps to rationalize its activities over the past year, and the outcome from this work has been a general decrease in overhead and other costs due to a reduction in staff and their accompanying support costs.
- Rent payments – rent payments for both the three and six months ended September 30, 2019 were nil, compared to $21 and $40 for the comparative periods in 2018. The decrease is due to the Company no longer requiring office space due to the overall reduction in staff and no longer needing to provide office space.
- Salaries and related costs including payments to consultants – decreased to $62 for the quarter ended September 30, 2019 from $106 for the 3 months ended September 30, 2018 and decrease to $120 for the six months ended September 30, 2019 from $235 for the six month ended September 30, 2018 largely due to reduction in staff.

As at September 30, 2019, the Company had $2.9 million in current assets (September 30, 2018 – $2.9 million) including $2.2 million in cash (September 30, 2018 – $2.5 million). The change in the Company's current assets and cash during the period can largely be attributed to increased private company fees and improved collection of accounts receivables. In addition, as at September 30, 2019, the Company had a working capital balance of $2.8 million (September 30, 2018 – $2.7 million) and no debt.

Summary of Quarterly Results

The following table sets out the quarterly financial information for each of the last eight quarters:

	Three months ended			
	September 30, 2019	**June 30, 2019**	**March 31, 2019**	**December 31, 2018**
Total revenue	$157	175	185	170
Total expenses	(402)	(195)	(515)	(237)
Other expenses	-	-	(107)	-
Net loss	(245)	(21)	(427)	(67)
Loss per share	-	-	-	-

	Three months ended			
	September 30, 2018	**June 30, 2018**	**March 31, 2018**	**December 31, 2017**
Total revenue	127	112	238	237
Total expenses	(315)	(351)	(3,002)	(140)
Other income	-	-	21	371
Net income(loss)	(188)	(249)	(2,743)	468
Earnings/(loss) per share	-	-	(0.14)	0.01

Outstanding Share Data
The company is authorised to issue an unlimited number of common voting shares.

As at the date of this MD&A, the Company has 106,715,629 common shares issued and outstanding and 5,500,000 stock options and 59,159,504 warrants outstanding.

Related Party transactions

Operating transactions
Through common shareholding and/or directorship, the Company is related to 51st Parallel Inc., Cheadle Investments Inc., and Black Spruce Merchant Capital. There were no related party transactions with 51st Parallel Inc. and Black Spruce Merchant Capital. The fees paid to Cheadle investments Inc. are included in the key management compensation.

Key management compensation
Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and includes both executive and non-executive directors. The Company considers all of its directors and executive management team members to be key management personnel. The Company paid $120 in management compensation for the six months ended September 30, 2019 compared to $235 for the same period in 2018.

Business Risks
Leadership
Target is dependent on members of its senior management and operational staff. A loss of one or more of these individuals could adversely affect Target's business. Target has minimized the impact of losing any one individual by cross-training senior management and operational staff to assume a variety of roles within the Company.

Regulation
The Company is subject to various laws and regulations; any changes to these statutes, or court decisions, regarding their application could negatively impact the Company. Specifically, Target's investments in private companies are reliant on regulations under the Income Tax Act, and there can be no assurance that the Government will not adopt laws or regulatory requirements that could adversely affect this line of business.

Credit risk
Credit risk arises from the potential that a counterparty will fail to perform its contractual obligations and arises principally from the Company's receivables from customers. The carrying amount of accounts receivable represents the maximum credit exposure. The Company is exposed to credit risk from its trade customers. The credit risk is influenced mainly by the individual credit characteristics of each client. Geographically, there is a concentration of risk in the Alberta region. The Company makes use of the following techniques to reduce its credit risk:

- Private companies do not receive final approval, and therefore cannot raise funds, until the investment fee for the first year ($2,500) is paid;

- The Company does not require collateral with respect to accounts receivables. The Company has a significant number of customers, which minimizes concentration of credit risk. Accounts receivable are monitored on a regular basis.

At period end, the Company had $390 in receivables outstanding for more than 91 days, totalling 71% of outstanding receivables (March 31, 2019 - $201 or 46%). Management believes all amounts, net of the allowances made, are collectable.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Management regularly reviews future cash requirements to ensure adequate funds are available. The Company's liquidity is adequate for the settlement of short-term financial obligations.

The maturity profile of the Company's liabilities as at September 30, 2019 and 2018 is included below:

2019	**Total**	**Within 1 year**	**2-5 years**	**Over 5 years**
Accounts payable and accrued liabilities	$182	$182	$ -	$ -
Total	**$182**	**$182**	**$ -**	**$ -**

2018	**Total**	**Within 1 year**	**2-5 years**	**Over 5 years**
Accounts payable and accrued liabilities	$86	$86	$ -	$ -
Total	**$86**	**$86**	**$ -**	**$ -**

As at September 30, 2019, the Company has a working capital surplus of $2.7 million (September 30, 2018 - $3.2 million); therefore, the Company has adequate cash to pay its liabilities as and when they fall due.

Commitments
The Company has no lease agreement or commitments for the period ended September 30, 2019.

Subsequent Events
On November 27, 2019 the Board of Directors of the Company approved an Incentive Stock Option Plan (the 'Plan'). The Plan allows the Company to issue total stock options of up to 10%, on a non-diluted basis, of the common shares issued and outstanding of the Company. The Plan has been conditionally approved by the TSX Venture Exchange, subject to the formal approval of the plan by the shareholders of the Company at the next annual general meeting and the filing of documents in this regard with the TSX Venture Exchange.

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