

## **CBI<sup>2</sup> Launches Industrial Lifestyle Properties REIT**

CALGARY, AB. (March 27, 2018) – Target Capital Inc. d.b.a. CBI<sup>2</sup> Capital ("CBI<sup>2</sup>") (TSXV: TCI) (CSE: TCI) is pleased to announce a strategic investment in Industrial Lifestyle Properties Real Estate Investment Trust ("iLP"). iLP is a newly-formed, self-advised, open-ended real estate investment trust focused on the acquisition, development, ownership and management of specialized cultivation facilities, industrial properties and real estate for the legal cannabis industry.

CBI<sup>2</sup> will provide iLP with up to \$1.0 million of capital through an equity commitment and iLP will use the proceeds to make strategic deposits on property acquisitions and for working capital and general corporate purposes. Prior to, or concurrent with, acquiring its first cannabis property, iLP is expected to become publicly-listed.

At present, cannabis market participants have limited access to traditional forms of asset-based financing and have primarily raised capital by way of equity issuances at the expense of diluting existing shareholders. iLP will provide non-dilutive capital to the cannabis market through sales-leaseback transactions and plans to secure contracts with tenants and properties under triple-net lease terms. iLP's structure will allow cannabis operators to unlock capital and redeploy it into higher return activities and will provide cannabis investors yield underpinned by a secured cash flow profile.

CBI<sup>2</sup> has a detailed business plan, developed in consultation with a national law firm with expertise in real estate investment trusts. Management believes there is significant demand for this type of structure within the cannabis industry - both among cannabis operators and cannabis investors.

CBI<sup>2</sup>'s team has knowledge and experience designing state-of-the-art cultivation facilities and navigating the industry's licensing process and regulatory framework. CBI<sup>2</sup> is expected to encourage deal flow and evaluate transaction opportunities on behalf of iLP. Leading iLP's senior management team will be David McGorman as the company's Managing Partner. David is currently a Managing Director with Black Spruce Merchant Capital and prior to was President and CEO of Jennings Capital. David has over 25 years of investment banking experience and during his tenure with The Chase Manhattan Bank was also involved in a number of real estate transactions. Together with CBI<sup>2</sup>, David will build out a complete team of legal, finance and real estate professional to manage iLP's operations.

CBI<sup>2</sup>'s investment in iLP presents its shareholders with a material equity position in a start-up cannabis real estate investment trust – the first of its kind in Canada. This transaction was built off the strength of CBI<sup>2</sup>'s merchant banking skills and provides CBI<sup>2</sup>'s investors a unique position in the cannabis space. As early entrants into the marketplace, CBI<sup>2</sup> expects this transaction to deliver superior returns that are consistent with its overall investment strategy.

More information on iLP can be found at [www.ilpreit.com](http://www.ilpreit.com).

### **About CBI<sup>2</sup> Capital**

Target Capital Inc., to be renamed CBI<sup>2</sup> Capital Corp. is a Calgary, Alberta based company engaged in making strategic investments in private companies, including small start-up operations and land development corporations. CBI<sup>2</sup>'s common shares are listed on the TSX Venture Exchange and the Canadian Securities Exchange under the trading symbol "TCI". Target is executing on a cannabis-focused investment strategy, where it intends to develop and manage a diversified portfolio of predominantly early stage cannabis investment opportunities. Target will

explore and invest in a number of strategic investment opportunities in the medical and recreational cannabis industry and in businesses offering ancillary supportive products and services. Upon receipt of shareholder approval, Target will change its name to "CBI<sup>2</sup> Capital Corp."

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President and Chief Executive Officer

or

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### **Forward-Looking and Cautionary Statements**

*Certain information included in this press release constitutes forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as "will", "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this press release includes, but is not limited to, statements about CBI<sup>2</sup>'s business and investment strategy, including its investment in iLP as well as the anticipated structure, public-listing and strategy of iLP.*

*The forward-looking statements contained in this press release are based on certain key expectations and assumptions made by CBI<sup>2</sup>, including expectations and assumptions concerning: the availability of suitable investment opportunities in the cannabis industry; CBI<sup>2</sup>'s understanding of its competition and alternative financing sources; the estimated growth in the cannabis market; the demand for cannabis cultivation and processing facilities; shifts in public opinion regarding cannabis; market trends in the cannabis industry, interest rates, real estate values, the securities markets and the general economy; the availability of qualified personnel; and the expected adult-use cannabis legalization in Canada.*

*Although CBI<sup>2</sup> believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because CBI<sup>2</sup> can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the cannabis industry in general; actions and initiatives of federal and provincial governments and changes to government policies and the execution and impact of these actions, initiatives and policies, including the fact that adult-use cannabis is currently illegal under federal and provincial law; iLP's ability to qualify as a real estate investment trust, or REIT, and, once qualified, maintain its qualification as a REIT; the size of the medical-use and adult-use cannabis market; competition from other industry participants; and other factors more fully described from time to time in the reports and filings made by CBI<sup>2</sup> with securities regulatory authorities.*

*The forward-looking information contained in this press release is made as of the date hereof and CBI<sup>2</sup> undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward looking information contained in this press release is expressly qualified by this cautionary statement.*

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.***