



TERRA FIRMA CAPITAL CORPORATION COMPLETES PRIVATE PLACEMENT OF COMMON SHARES

TORONTO, ONTARIO, December 20, 2011 (Marketwire) -- Terra Firma Capital Corporation (TSX-V:TII) ("**Terra Firma**" or the "**Corporation**") is pleased to announce that it has completed, on a non-brokered basis, a private placement of 11,700,000 common shares in the capital of the Corporation (the "**Common Shares**") at a price of \$0.50 per Common Share, for gross proceeds of \$5,850,000 (the "**Offering**").

As previously disclosed in Terra Firma's press release dated December 1, 2011, the net proceeds of the Offering will be used to enhance Terra Firma's liquidity position, to fund Terra Firma's business activity needs and for other general corporate purposes. Counsel Corporation, which beneficially owns or controls approximately 20.23% of the issued and outstanding Common Shares, Mr. Allan Silber, the Chairman of Terra Firma and Mr. Y. Dov Meyer, the President and Chief Executive Officer of Terra Firma have subscribed for 2,300,000, 200,000 and 200,000 Common Shares, respectively (collectively, the "**Insider Subscriptions**"). The subscription for Common Shares by each of Counsel Corporation, Mr. Silber and Mr. Meyer in the Offering will not increase the percentage of securities of Terra Firma beneficially owned and controlled by any of them.

No other insider of Terra Firma participated in the Offering and the balance of the Common Shares that were issued under the Offering was placed with Canadian accredited investors.

The subscription for Common Shares by Insider Subscribers constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* ("**MI 61-101**"). Terra Firma, as an issuer listed on the TSX Venture Exchange (the "**TSXV**"), is exempt from the formal valuation requirement of MI 61-101. In addition, Terra Firma has relied on an exemption to the minority shareholder approval requirements of MI 61-101 as (A) the Common Shares are listed on the TSXV, (B) neither the fair market value of the Common Shares to be distributed pursuant to the Insider Subscriptions nor the consideration to be received therefor will exceed \$2,500,000, (C) Terra Firma has independent directors who are not employees and who are not participating in the Offering and (D) at least two-thirds of such independent directors have approved the transaction.

The Common Shares issued in connection with the Offering have been conditionally approved for listing by the TSXV. The Common Shares issued in conjunction with the Offering will be subject to a four-month hold period under applicable securities laws and the policies of the TSXV.

About Terra Firma

Terra Firma is a full service, publicly traded real estate finance company that provides customized equity and debt solutions to the real estate industry. Our focus is to provide flexibility to property owners who may be limited by conventional bank financing and to invest in quality commercial and residential developments. Terra Firma offers a full spectrum of real estate financing under the guidance of strict corporate governance, clarity and transparency. Terra Firma is managed by Counsel Corporation (TSX: CXS). For further information please visit Terra Firma's website at www.terrafirmacapital.ca.



About Counsel Corporation

Counsel Corporation (TSX: CXS) is a financial services company that operates through its individually branded businesses in residential mortgage lending, distressed and surplus capital asset transactions, real estate finance and private equity investment. For further information, please visit Counsel's website at www.counselcorp.com.

This press release is not an offer of securities for sale in the United States. The securities of Terra Firma referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended or the securities laws of any state. Securities of Terra Firma may not be offered or sold in the United States absent registration or an exemption from registration.

Completion of the Offering is subject to final approval and acceptance by the TSXV.

The TSXV has in no way passed upon the merits of the Offering and has neither approved nor disapproved the contents of this press release. The TSXV does not accept responsibility for the adequacy or accuracy of this press release.

This Press Release contains forward-looking statements with respect to the Offering and matters concerning the business, operations, strategy and financial performance of Terra Firma. These statements generally can be identified by use of forward looking word such as "may", "will", "expects", "estimates", "anticipates", "intends", "believe" or "could" or the negative thereof or similar variations. The completion of the Offering and the future business, operations and performance of Terra Firma could differ materially from those expressed or implied by such statements. Such forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including that the Offering contemplated herein is completed. Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the ability of Terra Firma to satisfy the requirements of the TSXV with respect to the Offering. Additional, important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, local real estate conditions, competition, changes in government regulation, dependence on tenants' financial conditions, interest rates, the availability of equity and debt financing, environmental and tax related matters, and reliance on key personnel. There can be no assurances that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The cautionary statements qualify all forward-looking statements attributable to Terra Firma and persons acting on its behalf. Unless otherwise stated, all forward looking statements speak only as of the date of this Press Release and Terra Firma has no obligation to update such statements except as required by law.

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