

## TERRA FIRMA CORPORATION ANNOUNCES \$6 MILLION FINANCINGS

*NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.*

**Toronto, Ontario – September 23, 2014 – Terra Firma Capital Corporation (TSX.V:TII) (“Terra Firma” or the “Company”)** is pleased to announce that it has entered into an agreement with a syndicate of underwriters, led by Beacon Securities Limited (collectively, the “**Underwriters**”), which have agreed to purchase, on a “bought deal” basis 8,000,000 common Shares (the “**Common Shares**”) of the Company at a price of \$0.63 per Common Share (the “**Offering Price**”) for aggregate gross proceeds to the Company of \$5,040,000 (the “**Bought Deal Offering**”). The Company has also granted the Underwriters an over-allotment option, exercisable in whole or in part at any time on or up to 30 days after the closing of the Bought Deal Offering, to purchase up to an additional 1,200,000 Common Shares. In the event that the option is exercised in its entirety, the aggregate gross proceeds of the Bought Deal Offering will be \$5,796,000. The Common Shares offered pursuant to the Bought Deal Offering will be offered by way of a short form prospectus to be filed in all of the provinces of Canada (excluding Quebec) and on a private placement basis in certain other jurisdictions outside of Canada.

Concurrently with the Bought Deal Offering, the Company intends to complete a private placement of approximately 1,587,300 Common Shares at a price of \$0.63 per Common Share to certain insiders of the Company, for gross proceeds to the Company of approximately \$1,000,000 (the “**Private Placement**”). The Common Shares issued pursuant to the Private Placement will be subject to resale restrictions for a period of four months from the closing date of the Private Placement.

The Company plans to use the net proceeds from each of the Bought Deal Offering and the Private Placement to fund future loan investments and for general corporate and working capital purposes.

The Bought Deal Offering and the Private Placement are expected to close on or about October 15, 2014 and are subject to certain conditions including, but not limited to the receipt of applicable regulatory approvals, including approval of the TSX Venture Exchange and the securities regulatory authorities, as well as the satisfaction of other customary closing conditions.

The Underwriters will receive a cash commission of 7% of the gross proceeds raised in connection with the Bought Deal Offering, and common share purchase warrants entitling the Underwriters to purchase within 12 months after closing of the Bought Deal Offering, Common Shares equal to 7% of the aggregate number of securities sold pursuant to the Bought Deal Offering at the Offering Price per Common Share.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including the United States. 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 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 such registration requirements is available.

### **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 arrange and provide financing with flexible terms to property owners looking to improve or add to their existing real estate assets but who may be limited by conventional bank financing, as well as to invest in quality commercial and residential developments by proven real estate developers. Terra Firma offers a full spectrum of real estate financing under the guidance of strict corporate governance, clarity and transparency. For further information please visit Terra Firma’s website at [www.tfcc.ca](http://www.tfcc.ca).

*The TSX Venture Exchange has neither approved nor disapproved the contents of this press release. 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 press release.*

### **Notice Regarding Forward-Looking Statements**

*This Press Release contains forward-looking statements with respect 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. Statements regarding the over-allotment option, the proceeds that would be realized by Terra Firma if the over-allotment option is exercised and the proposed use of proceeds from the Bought Deal Offering and the Private Placement are all forward-looking statements. 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. Forward-looking statements are based on a number of assumptions which may prove to be incorrect. 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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