



For Immediate Release

TERRA FIRMA CAPITAL CORPORATION CLOSES BOUGHT DEAL OFFERING OF COMMON SHARES

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

All amounts are stated in Canadian dollars.

TORONTO, ONTARIO, May 5, 2015 (Marketwired) -- Terra Firma Capital Corporation (TSX-V: TII) ("**Terra Firma**" or the "**Company**") is pleased to announce that it has completed the previously announced bought deal offering of 16,911,900 common shares (the "**Common Shares**") of the Company, inclusive of 2,205,900 Common Shares issued pursuant to exercise in full of the over-allotment option granted to the underwriters, at a price of \$0.85 per Common Share for aggregate gross proceeds to the Company of \$14,375,115 (the "**Offering**"). The Offering was underwritten by a syndicate of underwriters led by Cormark Securities Inc. and including Beacon Securities Limited and Paradigm Capital Inc. The Common Shares are listed and posted for trading on the TSX Venture Exchange under the symbol "TII".

Concurrently with the Offering, the Company completed a private placement of 1,205,883 Common Shares at a price of \$0.85 per Common Share to certain insiders of the Company, for gross proceeds to the Company of \$1,025,000 (the "**Private Placement**"). The Common Shares issued pursuant to the Private Placement will be subject to resale restrictions for a period of four months.

Given the participation of certain insiders of the Company, the Private Placement 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 has relied on an exemption to both the formal valuation and the minority shareholder approval requirements of MI 61-101, as neither the fair market value of the Common Shares to be distributed to, nor the fair market value of the consideration to be received by Terra Firma from, the insiders of the Company in connection with the proposed Private Placement exceeds 25% of Terra Firma's market capitalization.

The Company has issued letters of intent and/or commitments in excess of \$14,000,000 to finance various real estate loans that are subject to certain funding conditions. The Company intends to use the net proceeds from the Offering and the Private Placement, to fund a portion of such commitments subject to borrowers meeting applicable funding conditions.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy Common Shares. The Common Shares have not been and will not be registered under the United States Securities Act of 1933 and accordingly will not be offered, sold or delivered, directly or indirectly within the United States, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a U.S. person, except in limited circumstances.

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.

The TSXV has neither approved nor disapproved the contents of this press release. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

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. 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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