

For Immediate Release**TERRA FIRMA CAPITAL CORPORATION ANNOUNCES BLOCK TRADE AND CHANGE IN BOARD OF DIRECTORS**

All amounts are stated in Canadian dollars.

TORONTO, ONTARIO, October 9 , 2013 – Terra Firma Capital Corporation (“Terra Firma” or the “Company”) (TSX VENTURE:TII), is pleased to announce that Mr. John Kaplan, through a wholly owned subsidiary, Linden Farms Inc. confirmed today that it has acquired 6,158,376 common shares of the Company at a price of \$0.50 per Common Share (the “Acquisition”) in a private agreement.

After giving effect to the Acquisition, Mr. Kaplan owns 19.997973% of the issued and outstanding common shares of the Company.

As part of the transaction, Mr. Allan Silber, the Company’s chairman and Director Mr. Morris Perlis, have resigned from the Company’s Board of Directors. Mr. Kaplan will be appointed to the Board of Directors, as chairman, subject to regulatory approval.

Mr. Kaplan was the President of Runnymede Development Corporation Limited (“RDCL”) from 2000-2013. He continues to be a Director of RDCL and is presently a principal of several real estate concerns including Metropia, Trademarek Communities and Haber Homes. In addition Mr. Kaplan is a Director of Talon Metals (TLO) which is listed on the TSX.

“This is a very exciting development for Terra Firma”, commented Y. Dov Meyer, President and CEO. “Mr. Kaplan has been an investor and longtime supporter of Terra Firma and has followed our activities very closely. His wealth of real estate expertise and vast industry contacts will be a true asset to Terra Firma. I look forward to working with Mr. Kaplan as he plays a key role in our next round of expansion.

The remaining board of directors and I would like to take this opportunity to thank Allan Silber and Morris Perlis for their years of service on the board of directors. As founders of Terra Firma, Mr. Silber and Counsel Corp. were very helpful in bringing Terra Firma to where it is today.”

About Terra Firma

Terra Firma is a full service, publicly traded boutique real estate finance company that provides customized equity and debt solutions to the real estate industry. Our focus is to provide financings with flexible terms to property owners and developers looking for customized structures. 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. The TSXV does not accept responsibility for the adequacy or accuracy of this press release.

For further information, please contact:
Terra Firma Capital Corporation
Dov Meyer
President and Chief Executive Officer
Phone: 416.792.4700 x 301
ydmeyer@tfcc.ca

or

Terra Firma Capital Corporation
Mano Thiyagarajah
Chief Financial Officer
Phone: 416.792.4700 x 303
mthiyagarajah@tfcc.ca