



For Immediate Release

**TERRA FIRMA CAPITAL CORPORATION REPORTS 2012 FOURTH
QUARTER and YEAR END RESULTS
SIGNIFICANT GROWTH IN REVENUE AND NET INCOME WITH INCREASED
LOAN ORIGINATION AND SYNDICATION ACTIVITIES**

All amounts are stated in Canadian dollars.

TORONTO, ONTARIO, April 30, 2013 (Marketwire) -- Terra Firma Capital Corporation (TSX-V: TII) ("**Terra Firma**" or the "**Company**"), a real estate finance company, today released its financial results for the three months and year ended December 31, 2012.

2012 HIGHLIGHTS:

- Total revenue is \$5.5 million, an increase of \$3.9 million or 260%, compared to the last year.
- Net income and comprehensive income is \$1.3 million, an increase of \$964,658 or 336%, compared to last year.
- Total assets increased by 57% to \$46.4 million from \$29.5 million.

"We have made significant strides in 2012 and we will continue to prudently build on this and expand the Company's presence in the market" commented Dov Meyer, President and Chief Executive Officer. "There are still significant investment opportunities in the market, but we will continue to be prudent in our approach to selection of new investments".

Results of operations – year ended December 31, 2012

Income from continuing operations for the year ended December 31, 2012 increased by 209% to \$1.5 million, or \$0.05 per basic and diluted share, from \$480,164, or \$0.03 per basic and diluted share in the previous year.

For the year ended December 31, 2012, interest and fees income grew 281% to \$5.2 million compared to \$1.4 million in the previous year.

The significant growth in Terra Firma's revenues and income from continuing operations for the year ended December 31, 2012 as compared to the year earlier periods was primarily due to increase in loan and mortgage investments originations. The Company's loan portfolio increased to \$32.0 million with a weighted average effective interest rate of 19.9%, at December 31, 2012 compared to \$16.7 million with a weighted average effective interest rate of 19.3% at December 31, 2011.

Interest expense for the year ended December 31, 2012 was \$2.6 million compared to \$457,719 for the year ended December 31, 2011, primarily due to increase in the syndicated portion of the Company's loan and mortgage investments, which increased from \$43.8 million at December 31, 2011 to \$17.0 million at December 31, 2012 and the issuance of \$10.1 million of 3-year, 7% convertible debentures in September 2011. These funding leveraged the Company's shareholders' equity and fueled the growth in loan and mortgage investments, while reducing its overall portfolio risk profile.

Net Income for the year ended December 31, 2012 was \$1.3 million, an increase of \$964,658 or 336% compared to previous year.

Results of operations – fourth quarter ended December 31, 2012

Income from continuing operations for the three months ended December 31, 2012 was \$728,689, an increase of \$422,544 or 138% compared to the same period in previous year.

Interest and fees earned for the three months ended December 31, 2012 was \$1.9 million compared to \$749,883 for the comparable period last year. The increase in interest and fees earned was primarily due to the growth in the Company's loan and mortgage investments with higher weighted average effective interest rate.

Net income for the three months ended December 31, 2012 was \$496,376, an increase of \$188,303 or 61% from net income of \$308,073 in the same period in the previous year.

Termination of Management Agreement

Terra Firma was formerly managed by Counsel Asset Management, L.P., a wholly owned subsidiary of Counsel Corporation (TSX: CXS). Counsel Corporation owned 6,168,333 or approximately 20.2% of the outstanding common shares of Terra Firma as at December 31, 2012. On December 31, 2012, Counsel Asset Management LP. ended its management of Terra Firma and on January 1, 2013, Counsel distributed its entire holding of Terra Firma shares as a dividend to its shareholders.

Following the termination of the management agreement, the Company's overall strategy remains unchanged and management believes that the Company will be better positioned to deliver on its strategy and objectives with a new manager or alternatively, internalizing the management structure. Management is evaluating both options, among others.

The Company's Management's Discussion & Analysis and Financial Statements as at and for the year ended December 31, 2012 have been filed and are available on SEDAR (www.sedar.com).

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.terrafirmacapital.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.

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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Terra Firma Capital Corporation
Consolidated Statements of Income and Comprehensive Income
For the three months and year ended December 31, 2012
(Unaudited)

	Three months ended		Year ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Revenue				
Interest and fees earned	\$ 1,897,945	\$ 749,883	\$ 5,156,665	\$ 1,352,124
Rental income	195,113	55,305	343,958	174,195
	2,093,058	805,188	5,500,623	1,526,319
Expenses				
Property operating costs	76,623	17,834	129,186	55,901
General and administrative expenses	134,629	93,829	538,978	245,327
Share based compensation	15,369	32,608	216,840	284,998
Interest expense	888,303	294,562	2,569,006	457,719
	1,114,924	438,833	3,454,010	1,043,945
Fair value adjustment of investment properties	-	50,000	-	195,000
Income from continuing operations				
before income taxes	978,134	416,355	2,046,613	677,374
Income tax provision	249,445	110,210	562,320	197,210
Income from continuing operations	728,689	306,145	1,484,293	480,164
Income (loss) from discontinued operations	(232,313)	1,928	(232,313)	(192,842)
Net income and comprehensive income	\$ 496,376	\$ 308,073	\$ 1,251,980	\$ 287,322
Basic and diluted earnings (loss) per share				
Continuing operations	\$ 0.02	\$ 0.01	\$ 0.05	\$ 0.03
Discontinued operations	(0.01)	-	(0.01)	(0.01)
	\$ 0.01	\$ 0.01	\$ 0.04	\$ 0.02

Terra Firma Capital Corporation
Consolidated Statements of Financial Position

As at December 31, 2012 and 2011

(Unaudited)

	2012	2011
Assets		
Cash and cash equivalents	\$ 3,223,291	\$ 8,771,557
Amounts receivable and prepaid expenses	2,396,180	805,412
Loan and mortgage investments	31,996,731	16,724,774
Investment properties	7,834,576	3,234,658
Portfolio investment	950,000	-
Total assets	\$ 46,400,778	\$ 29,536,401
Liabilities		
Accounts payable and accrued liabilities	\$ 1,192,616	\$ 1,052,582
Provision for discontinued operations	445,957	251,864
Unearned income	16,965	52,624
Income taxes payable	474,297	82,169
Deferred income taxes	15,602	10,260
Loans and mortgages payable	21,406,070	6,777,907
Convertible debentures	10,093,325	10,061,869
Total liabilities	33,644,832	18,289,275
Shareholders' Equity		
Share capital	\$ 10,757,405	\$ 10,687,105
Contributed surplus	573,139	386,599
Retained earnings	1,425,402	173,422
Total shareholders' equity	12,755,946	11,247,126
Total liabilities and Shareholders' Equity	\$ 46,400,778	\$ 29,536,401