

Terra Firma Capital Corporation to Seek Approval for Consolidation

TORONTO, May 21, 2019 -- Terra Firma Capital Corporation (TSX-V: TII) ("**Terra Firma**" or the "**Company**"), a real estate finance company, announced today that it will hold its annual and special meeting of shareholders on June 17, 2019 (the "**Meeting**"). At that meeting, among other things, shareholders will have the opportunity to consider, and if thought advisable, authorize and approve an amendment to the Company's articles to consolidate the issued and outstanding common shares of the Company ("**Common Shares**") on the basis of one (1) post-consolidation Common Share for up to ten (10) pre-consolidation Common Shares (such consolidation ratio to be determined by the board of directors of the Company) (the "**Consolidation**").

The Consolidation is subject to approval by the shareholders of the Company representing at least two-thirds of the votes cast at the Meeting and acceptance by the TSX Venture Exchange (the "**TSX-V**"). As of March 14, 2019, there were 57,200,836 Common Shares outstanding. Assuming the maximum consolidation ratio of 10:1, if effected, based the number of issued and outstanding Common Shares as at May 14, 2019, the number of issued and outstanding Common Shares would be reduced to 5,720,083 (excluding the effect on fractional Common Shares). Only whole post-Consolidation Common Shares will be issued under the Consolidation. Persons otherwise entitled to receive fractional post-Consolidation Common Shares will instead receive post-Consolidation Common Shares rounded down to the nearest whole Common Share.

The board of directors (the "**Board**") of the Company is of the opinion that, in the future, it may be in the best interests of the Company to consolidate the Common Shares, and such a Consolidation may enhance their marketability and liquidity as an investment. The Company is seeking shareholder approval for the Consolidation to give the Board the flexibility to consolidate if, at any time following the date of the Meeting, the Board, in its sole discretion, determines that such Consolidation is in the best interests of the Company and its shareholders. The Company will not be changing its name in conjunction with the Consolidation.

About Terra Firma

Terra Firma is a full service, publicly traded real estate finance company that provides real estate financings secured by investment properties and real estate developments in Canada and throughout the United States. The Company focuses on arranging and providing financing with flexible terms to real estate developers and owners who require shorter-term loans to bridge a transitional period of one to five years where they require capital at various stages of development or redevelopment of a property. These loans are typically repaid with lower cost, longer-term debt obtained from other Canadian financial institutions once the applicable transitional period is over or the redevelopment is complete, or from proceeds generated from the sale of the real estate assets. 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 TSX-V has neither approved nor disapproved the contents of this press release. The TSX-V does not accept responsibility for the adequacy or accuracy of this press release.

Forward-Looking Information

This press release contains forward-looking statements with respect matters concerning the business, operations, strategy and financial performance of Terra Firma, including in respect of the proposed Consolidation. These statements generally can be identified by use of forward looking word such as "may", "will", "expects", "estimates", "indicates" "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, including the matters covered by any non-binding letters of intent that are not completed, as well as risks relating to market factors, competition, and dependence on tenants' financial conditions, environmental and tax related matters, and reliance on key personnel. Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including that the general economy, local real estate conditions and interest rates are stable, the absence of significant changes in government regulation, and the continued availability of equity and debt financing. 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 does not assume any obligation to update such statements, whether as a result of new information, future events or otherwise, except as required by applicable Canadian securities laws.

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