

Terra Firma Capital Corporation Launches US\$37.5 Million Debt Fund

Terra Firma to co-invest US\$3.375 million in the fund

First fund in a series of future funds

All amounts are stated in United States dollars unless otherwise indicated.

TORONTO, Jan. 28, 2021 (GLOBE NEWSWIRE) -- Terra Firma Capital Corporation (TSX-V: TII) ("**Terra Firma**" or the "**Company**"), a real estate finance company, today announced the formation and launch of its first debt fund targeted for financing residential land and lot inventory for developers and landowners in the growing and vibrant U.S. housing market. The \$37.5 million fund is comprised of \$32.5 million of equity and \$5.0 million of debt and is part of a series of anticipated funds to be created in the future. Terra Firma will co-invest \$3.375 million of equity in this first debt fund. The fund is fully subscribed.

"The debt fund is a natural evolution of our loan syndication activity. To date, Terra Firma has raised over \$400 million from a network of private investors on a deal-by-deal basis. The objective of this new initiative is to continue to offer investment opportunities to our private investors through a fund structure that affords a more efficient mode of investment coupled with the benefits of diversification of their holdings and duration of their investments. Furthermore, the fund offers private investors the ability to earn higher returns due to a modest level of leverage through its line of credit," said Y. Dov Meyer, Executive Chairman of Terra Firma Capital Corporation. "In the future, we plan on growing our private capital through subsequent funds, including funds dedicated to different loan products and strategies, depending on market conditions and investor demand."

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, potential returns to syndicated investors and the intention for TFCC to launch subsequent funds. 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, including 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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