

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Terra Firma Resources Inc.
6th Floor, 890 West Pender Street
Vancouver, BC
V6C 1J9

2. Date of Material Change

January 17, 2011

3. News Release

The news release announcing the material change was disseminated on January 17, 2011 through TheNewswire.ca. The news release was also filed with the British Columbia, Alberta, Saskatchewan and Ontario Securities Commissions on SEDAR.

4. Summary of Material Change

See news release, a copy of which is attached hereto.

5. Full Description of Material Change

See news release, a copy of which is attached hereto.

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

Brian Buchanan, CEO
604.681.5566

9. Date of Report

January 17, 2011

For Immediate Release

January 17, 2011

NEWS RELEASE

Terra Firma Settles Debt

Vancouver, BC - **Terra Firma Resources Inc.** (TSX-V: TFR) (“the Company”) wishes to announce that it has completed its previously announced settlement of an aggregate of \$30,000 of outstanding debt of the Company in exchange for the issuance of 150,000 common shares at a price of \$0.20 per share. The debt represented fees owed to Peter Smith, a former director of the Company, for consulting services provided to the Company by Mr. Smith in 2009 and 2010.

About the Company

Terra Firma Resources is a mineral exploration company headquartered in Vancouver, British Columbia. The Company’s objective is to develop a balanced portfolio of properties through a combination of grassroots prospecting, property acquisitions and the formation of strategic relationships.

If you are not currently on the **Terra Firma Resources Inc.** updates list, please send in your email address to info@terrafirmaresources.com or call 604-681-5566. The Company will send out regular updates and news releases to everyone who asks to be on the list. For further information about the Company visit the website at www.terrafirmaresources.com or SEDAR at www.sedar.com or contact Brian Buchanan by telephone at 604-681-5566.

ON BEHALF OF THE BOARD,

Brian Buchanan
Chief Executive Officer and Director

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