



ENTERTAINMENT & MULTIMEDIA LIMITED

P R E S S R E L E A S E

January 12, 2001

For Immediate Release

Stock Symbol: TSE: BFS

**BFS ENTERTAINMENT & MULTIMEDIA LIMITED ANNOUNCES
THE SIGNING OF A LETTER OF INTENT WITH NEW RIVER MEDIA, INC.**

BFS Entertainment & Multimedia Limited (“BFS”) of Richmond Hill, Ontario today announced that it has entered into negotiations with **New River Media, Inc.** (“NRM”) for purposes of completing a transaction whereby BFS would acquire NRM. NRM is a company based in Washington D.C. that is one of the leading suppliers of programming to public television. NRM is also involved in the wholesale of video cassette programming to leading retail, catalogue and internet distributors throughout the United States.

Denis Donnelly, the President and CEO of BFS, stated that “when BFS and NRM conclude their agreement, the combination of the two entities will create tremendous synergies and lead to BFS’ continued expansion which will include broadcast sales, production and co-production.”

Mr. Donnelly cautioned, however, that while negotiations of a non-binding nature have commenced, any transaction would be subject to satisfying certain conditions including the completion of definitive agreements.

BFS Entertainment & Multimedia Limited manufactures, markets and distributes under the **BFS Video** and **American Home Treasures** video labels, a wide range of entertainment home videos and DVD’s for resale to retail and catalogues throughout North America. BFS’ strategy is to continue to acquire new programming for North America and to expand its distribution channels including an E-Commerce site for consumer direct sales.

(SEC Rule 12g exemption #82-4245)

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