



ENTERTAINMENT & MULTIMEDIA LIMITED

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

Thursday, February 8, 2001

For Immediate Release

Stock Symbol: TSE: BFS

**BFS ENTERTAINMENT & MULTIMEDIA LIMITED
ANNOUNCES LITIGATION SETTLEMENT**

BFS Entertainment & Multimedia Limited of Richmond Hill, Ontario, today announced the settlement of its legal proceedings against Granada Learning Limited (formerly Yorkshire International Thomson Multimedia Limited). Following protracted discussions, the parties agreed to dismiss their claims against each other in consideration for which BFS will receive, amongst other benefits, a nominal sum of money, a five year contract extension for all existing licenses and expanded license rights for the North American market in respect to such existing licenses.

BFS Entertainment & Multimedia Limited manufactures, markets and distributes under the **BFS Video** and **American Home Treasures** video labels and the **Mentorom Multimedia** label, a wide range of entertainment home videos and DVD's for resale to retail and catalogues throughout North America. The Company's 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. The Company is also continuing to look for small companies that can be acquired to fit the current business model.

(SEC Rule 12g exemption #82-4245)

For further information, please contact:

David Chapman, Secretary

E-mail: dchapman@bgsdlaw.com

Tel: 416-869-0366

Corporate Website: www.bfsent.com

E-Commerce Website: www.collectablesdirect.com