



ENTERTAINMENT & MULTIMEDIA LIMITED

**P R E S S   R E L E A S E**

**March 24, 2000**

**BFS To Adopt Shareholder Rights Plan**

**For Immediate Release**

**Stock Symbol: TSE: BFS**

**Richmond Hill, Ontario, Canada**—**BFS Entertainment & Multimedia Limited** (the “Company”) announced today that its Board of Directors has approved the adoption of a shareholder rights plan (the “Plan”) as part of its process in dealing with potential parties who may wish to acquire control of the Company by way of a take-over bid or other transaction consistent with the Company’s mandate to maximise shareholder value. The Plan is intended to ensure all shareholders of the Company are treated fairly in any transaction involving a change of control of the Company. The adoption of the Plan is subject to regulatory approval.

The Plan has been adopted in order to provide the Company’s Board of Directors and shareholders with sufficient time to assess and evaluate any take-over bid or other control transaction and, in the event that a bid is made or other control transaction is proposed, to provide the Board of Directors with an appropriate period of time to explore and develop alternatives which maximise shareholder value.

Although the Plan will take effect immediately, the Company’s intention is to ask its shareholders to ratify the Plan at its next shareholders’ meeting. The Plan will expire if such ratification is not obtained within six months, but if approved, the Plan will continue in effect for a three-year period.

The Plan is similar to other shareholder rights plans adopted by Canadian corporations. Until the occurrence of certain specific events, the rights will trade with the common shares of the Company and be represented by the share certificates for such shares. The rights become exercisable only when a person, including any party related to it or acting jointly with it, acquires or announces its intention to acquire 20 percent or more of the outstanding common shares of the Company without complying with the “Permitted Bid” provisions of the Plan. Should a non-permitted acquisition occur, each right would entitle each holder of common shares (other than the offeror or certain parties related to it or acting jointly with it) to purchase additional common shares of the Company at a 50 percent discount to the market price at the time.

It is not the intention of the Plan to prevent take-over bids. Under the Plan, a Permitted Bid is a bid made to all shareholders on identical terms and conditions that is open for at least 60 days. If at the end of 60 days at least 50% of the outstanding shares, other than those owned by the offeror or certain parties related to it or acting jointly with it, have been tendered, the offeror may take up and pay for the shares but must extend the bid for a further 10 days to allow all other shareholders to tender.

(SEC Rule 12g exemption #82-4245)

For further information, please contact:

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