

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

Friday, January 16, 2015

For Immediate Release

**BFS ENTERTAINMENT & MULTIMEDIA LIMITED ANNOUNCES
LETTER OF INTENT WITH MONTECRISTO GROUP**

BFS Entertainment & Multimedia Limited (“BFS”) (TSX VENTURE:BFS) of Richmond Hill, Ontario, has announced that it has entered into a non-binding Letter of Intent with MonteCristo International Entertainment, LLC and with The MonteCristo Fund, LLC (“MonteCristo Group”) that will see the companies combining their respective businesses. The contemplated transaction is subject to a number of conditions, including the entering into of a definitive agreement, the receipt by BFS of a fairness opinion, completion of due diligence reviews and receipt of all necessary corporate and regulatory approvals. Consequently, any transaction remains pending subject to satisfying these and other conditions and there can be no assurance that such a transaction will ultimately be completed.

As currently proposed, the parties expect, subject to a number of factors and conditions, that BFS will issue such number of shares that following closing, the current shareholders of BFS will retain a 45% equity stake and the shareholders of the MonteCristo Group of companies will hold a 55% equity stake in the combined company. It is anticipated that the newly combined company’s name will be The MonteCristo Group and that it will have a board of directors comprised of three members from the MonteCristo Group and two from BFS.

“MonteCristo International Entertainment, LLC and The MonteCristo Fund, LLC are thrilled to expand their current Feature Films worldwide sales and production activities to Episodic Television shows and enter into North American distribution via a merger with BFS. The resulting company will be better poised to respond to the changing nature of distribution and rapidly grow into a strong worldwide player in entertainment,” said Michael Taverna, CEO, MonteCristo International Entertainment, LLC.

“The integration of BFS with content provider MonteCristo is a tremendous benefit and will provide the new company excellent potential for the future. This is exactly the type of opportunity we were looking for,” said Denis Donnelly, CEO, BFS Entertainment & Multimedia Limited.

BFS Entertainment & Multimedia Limited is a recognised independent North American entertainment company focusing on the acquisition, distribution and production of film and television media. Programming includes classic dramas, mystery, comedy, sports, documentaries and health and wellness. North American retail distribution is through national retailers, distributors, mail order companies, Collectables Direct (BFS’ direct to consumer division) and e-commerce websites. BFS’ strategy is to continue to acquire new programming and to expand its proprietary programme development, international distribution and direct to consumer delivery, including electronic delivery and streaming.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

(SEC Rule 12g exemption #82-4245)

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