



Shareholder Rights Plan Q&A

1. What is a Shareholder Rights Plan?

- Shareholder Rights Plans are a common corporate governance tool that allow Boards the time to make prudent and thoughtful decisions in the best interest of all shareholders, particularly when evaluating potential transactions involving the company.
- The basic mechanics of a Shareholder Rights Plan provide that if one shareholder buys a certain percentage or more of the Company's shares (the “**trigger**”), the Company can provide all other shareholders the opportunity to buy additional shares at a discounted price **or** exchange each right for one additional common share or other security of equivalent value.
- In the case of BF&M, our Shareholder Rights Plan could be triggered if one shareholder buys 15% of the Company's shares.
- **If the Shareholder Rights Plan is not triggered, there is no impact or change for our shareholders.**

2. Why is BF&M adopting a Shareholders Rights Plan now?

- We recently completed our strategic review process, which we undertook in light of the fact that Camellia disclosed publicly that they would like to divest their ownership interest in BF&M.
- Camellia subsequently announced a proposed transaction to sell those shares to Argus.
- Despite trying to work constructively with Camellia, we have stated to them privately as well as publicly that we cannot endorse the proposed transaction.
- As we work to thoroughly understand all potential impacts of Camellia's decision, our Board determined it was important to adopt the Shareholder Rights Plan to protect the interests of all BF&M shareholders as well as other stakeholders.

3. How many Rights can I expect to receive as a shareholder?

- All shareholders of record as of 20 July 2023 automatically receive one right for each common share held.

4. Do I need to pay for these Rights?

- No. All shareholders automatically receive one right for each common share held. In the event of a trigger, you may be afforded the opportunity to buy additional shares at a discounted price.

5. Can I sell, transfer, or otherwise trade my Rights?

- Unless there is a trigger, the Rights are inseparable from the BF&M common shares that you hold. You can not sell, transfer or trade the rights independently from your common shares.

6. If I sell my BF&M stock, do I lose my Rights?

- The Rights are inseparable from the BF&M common shares that you hold. As such, if you sell your shares, the rights would transfer with your shares.

7. How long is the Shareholders Right Plan in place for?

- If not triggered, the Shareholders Rights Plan will expire automatically in one year.

8. How will the Shareholder Rights Plan affect the value of my shares?

- There are many factors and variables that may impact the price of any security in the short term. However, the adoption of the Shareholder Rights Plan is designed to protect and enhance shareholder value over the longer-term.

9. If the Shareholder Rights Plan is triggered, am I required to exercise my right?

- One option under the Shareholder Rights Plan provides eligible shareholders the opportunity to acquire additional common shares at a discount. However, there is no obligation on shareholders to do so.

10. Will the Shareholder Rights Plan dilute the ownership of existing shareholders?

- If the Shareholder Rights Plan is triggered, it would only dilute the ownership of the shareholder who crosses the triggering threshold.

11. Does the Shareholders Rights Plan prevent BF&M from selling the company to all potential buyers?

- Not at all. Under the terms of the Shareholder Rights Plan, the Board is permitted to engage with parties and accept any transaction it believes appropriately recognises the value of BF&M and is in the best interests of the Company and its shareholders.

12. Will the Shareholders Rights Plan impact BF&M's ability to attract new investors?

- Not at all. It should reassure potential investors that we are looking out for their interests.