

NEWS RELEASE

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For Immediate Release

JULY 25, 1996 TORONTO, ONTARIO : Leisure Canada Inc. ("Leisure") is pleased to announce that it has completed a new \$ 10 million credit facility with the Bank of Hong Kong for our franchisees. To facilitate this line the Leisure group has posted cash and securities of approximately \$2.5 million. This credit facility will be used for the Thrifty franchisees through out the Province of British Columbia to aid them in being more competitive with more flexibility in car purchases.

As a direct result of this line of credit, Leisure will cease its current leasing operations and will instead earn a monthly fee for service on each vehicle financed by the franchisees through this facility. The establishment of this facility, which is guaranteed by Leisure, will, it is anticipated, result in the removal of the automotive debt from Leisure's balance sheet by the second quarter.

The discontinuance of this leasing division, along with the closure of the car rental and sales operations, will lead to a one time charge for discontinued operations on Leisure's year end financial statement in excess of \$ 1 million.

For further information, please contact Bill Kerby, President at (604) 606-1606 or Peter Rooney, Director at (905) 859-2382