

## **JOINT NEWS RELEASE**

### **LEISURE CANADA INC. & POINTS NORTH DIGITAL TECHNOLOGIES, INC.**

Trading CDN: LKAN

Shares Issued & Outstanding :18,688,542

CUSIP No.: 524911104

Trading CDN: PNTS

Shares Issued & Outstanding : 3,476,743

CUSIP No.: 730907102

#### **For Immediate Release**

May 30, 1997 TORONTO, ONTARIO : Leisure Canada Inc. ("LCI") and Points North Digital Technologies, Inc. ("Points North") today announced they have entered into an agreement whereby Points North is acquiring certain components of LCI's travel division. These assets include Bluebird Holidays Limited (in the United Kingdom), Bluebird Holidays S.A. (Pty) in South Africa, Travel Distribution Resource Group Inc. and LCI's rights to 1-800-4-Travel in Canada. The purchase price payable on closing is \$ 7,050,000, comprised of cash, shares and a convertible debenture issued by Points North. Points North has further agreed to pay or provide security of approximately \$1.5 million to cover liabilities and deferred payments within the travel division. The transaction is anticipated to close June 5<sup>th</sup>, subject only to regulatory requirements. As a result of the transaction, LCI could wind up holding approximately 17% of all outstanding shares of Points North (on a fully diluted basis) as a result of converting its debenture.

The transaction will streamline LCI's operations and will allow LCI to concentrate its resources on its primary business, being its Cuban resort developments. This agreement allows Points North to integrate its Internet Solutions project (being carried out with IBM) into the tour, travel and call centre divisions and will promote Leisure's Cuban hotels and resorts. The agreement further calls for Bluebird Holidays Ltd. to develop certain tour operations in Canada and South America within the next three years to prepare for the opening of LCI's Cuban resort properties. LCI is now in the very final stages of architectural and engineering studies and expects construction on its first hotels to commence shortly.

Following this transaction, LCI's operations will include the Altracs Division which produces the Leisure Canada magazine, the new time share division for sales and management of the hotel properties and the Wilton Properties hotels and resorts division.

Points North operations will include their CD ROM multimedia division, commercial film, audio and digital production division and a greatly expanded Online4travel division with the assumption of these travel assets.

Further details will be announced upon completion of the transaction.

For further information, contact Bill Kerby, LCI at (604)606-1600 or Shelly Frank, Points North at (306) 934-3319.