

NEWS RELEASE

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For Immediate Release

October 29, 1998, Toronto, Ontario: Leisure Canada is pleased to announce that it has entered into an agreement with the world renowned Gleneagles Golf Developments of Scotland, the home of golf. The agreement calls for Gleneagles to develop, construct and manage the first of two 18-hole golf courses at Leisure Canada's Jibacoa site in Cuba. Gleneagles, a name synonymous with golf, excellence and world class standards, has earned its reputation through many years of marrying tradition with innovation and delivering an experience beyond expectation. It combines one of the most powerful international brand names in golf with an exceptional range of proven skills, from course design to management consultancy, and specialist publishing to retailing. The Company currently has projects under construction at Nepal, Spain, USA, South Africa, Spain, Bahrain, Ireland, South Korea, Turkey and England

Gleneagles will control the initial planning, layout and development and when complete will manage the golf facility for Leisure Canada. Construction is scheduled to begin early in 1999. The course, when completed, will be known as the Gleneagles Royal Palms.

Mr. Walter Berukoff, Chairman of Leisure Canada, stated, "the timing of this agreement is key as it will allow Leisure Canada to simultaneously open the Royal Palms golf course in conjunction with the first of its hotels planned for our Jibacoa site." Important to this agreement is Leisure's ability to maintain and control the real estate surrounding the golf courses. The Company has plans to develop 1600 luxury condos and golf villas around the golf courses for resale on a timeshare basis. The design of these golf villas and luxury condos calls for 1200 to 2000 sq. ft. units with one bedroom and studio lock-offs and adjacent butler and maid quarters. Each interval owner will have access to all resorts, amenities and services including golf privileges. Most of the 81,000 intervals will be sold through the European market and will be part of the yet to be announced exchange program. Development and sale is anticipated starting next year.

Leisure Canada, through its wholly owned subsidiary, Wilton Properties Inc., has been involved in Cuba since 1990. During that period of time, the Company has attained world class agreements on four distinctive sites in Cuba, with its Cuban partner, Grupo Gran Caribe. The agreements cover many areas including design and development of the sites, along with pre-approved retail licenses, telecommunications, timeshare and resale of properties. The four key sites have been extensively researched to avoid claims under the Helms Burton Act. They are as follows:

Havana site: This site is 2 square blocks in the Miramar business district, and represents the last waterfront location in Havana. The design work on this property calls for two twin towers and a low-rise timeshare complex overlooking the beach. The design concept captures the authentic architectural ambience of historic Cuba. The world class resort will include three swimming pools, restaurants, a fitness centre, banquet and conference rooms and other business facilities for the Corporate traveller. When complete, the site will boast over 850 rooms. Approximately 250 of these units will be built to meet the needs of the business and leisure timeshare markets.

The Company anticipates introduction of sales of these 12,750 Havana intervals along with 81,000 Jibacoa intervals through a number of unique marketing initiatives. Some of these initiatives include introduction of the timeshare product to Points North's over 200a TravelPlus agencies across Canada and through the Company's Online-4-travel Internet solution and Travel Magazine. Leisure Canada holds approximately 15% of Points North Digital Technologies, inc. Pre-sale marketing will begin shortly after the Cuban government approves change of the current real estate laws to expand and encompass timeshare legislation. This much-anticipated change would happen by year-end.

Jibacoa site: This site is located midway between Havana and Varadero some 35 miles from each on the Trans-Cuban Highway. This diverse site is approximately 5 square kilometers in size facing onto the ocean and backed by a magnificent lush valley. The overall plan consists of six hotels, three located on beachfront, one cliff hotel overlooking the ocean and one to be built on the plateau of the two internationally ranked Gleneagles golf course sites announced today. The resort will include a marina, convention centre, guest ranch and equestrian centre, European health spa tennis clubs, shopping villages' etc. This unique location will make it a natural draw over Cuba's two largest tourist centres – Havana and Varadero.

Cayo Largo: Cayo Largo is a beautiful sand and limestone island surrounded by clear aquamarine waters located 50 kilometers south of the main Island. The Island's new international airport receives fully loaded jumbo jets from Europe and Canadian Cities. Development plans for this resort will consist of several hotel sites and independent bungalows, situated around a multi-purpose manmade lagoon. The site is located along the white sand beach on the westend of the island. The resort will be set amongst spectacular natural landscaping and gardens.

Island of Youth: This site is more remote and is scheduled to be developed under an eco-tourism theme. The Company will take full advantage of the site's unique characteristics, including a dive centre for the underwater cave that provides for some of the most unique world class diving opportunities.

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