

PRESS RELEASE

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LEISURE CANADA ANNOUNCES LE MERIDIEN VILLAGE, JIBACOA

For Immediate Release – March 2, 1999

Leisure Canada Inc. is pleased to announce that it has reached agreement with the Meridien Hotel group to move forward on the development of the Le Meridien Village at its Jibacoa site. The agreement calls for the incorporation of the design, planning, furnishing, equipment and décor of the hotel, allowing it to carry the trade name and service marks of this world renowned international hotel group, as well as participating in the chain's international advertising and sales promotion programs.

This agreement with Le Meridien Hotels & Resorts allows Leisure Canada Inc. to join forces with one of Europe's leading hotel groups – a division of the famed luxury Forte Hotels. Le Meridien brings worldwide recognition as an operator of world class hotels and resorts. It will partner in the design, development, and management of three of the first phase hotels, totaling 600 rooms. The Le Meridien Village Jibacoa will form the cornerstone of Leisure's 5.5 sq. km property in Jibacoa, Cuba, with an anticipated start of construction in September 1999.

To add to this, the Company plans additional 1600 vacation ownership golf villas and condominiums, strategically located around two golf courses and marinas.

The famed Village in Sardinia, Italy is Le Meridien's most successful and profitable resort. Le Meridien will duplicate the fantastically successful village model into Cuba's paradise climate and market product to match success of the Forte Village, Sardinia. As part of the agreement, Le Meridien will bring the full forces of their international marketing expertise to promote the offering at Jibacoa, Cuba.

Leisure Canada is further involved in discussions with several other major hoteliers and high-end resort developers for the remaining four hotel sites planned in Jibacoa. When the entire project is complete under Leisure Canada's masterplan, it will include cruise ship facilities, marinas, a guest ranch, central villages featuring world renown retail brands – all to offer vacationers an array of activity and experiences ranging from culture to restaurant, tennis facilities, swimming pools, golf courses and of course, Le Meridien's signature spa facility, unique in the world.

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For further information contact:

Graeme Lempriere, Vice President

At 1-888-600-8687

Or visit our website at www.leisurecanada.com