



LEISURE CANADA INC.

News Release

TSX Venture Exchange Symbol: **LCN**

November ●, 2004

For Immediate Release

Review of Third Quarter Financial Reports

Leisure Canada is a leading developer of luxury resorts in Cuba. The Company currently has three properties under development which include hotels, convention centers and golf courses. The Company has released its financial statements and quarterly report for its third fiscal quarter ended September 30, 2004. The Company reports in U.S. dollars, and all amounts in this release are in that currency.

Financial statement summary

The Company reported a strong cash position of approximately \$3.5 million, working capital of the same amount, and shareholders' equity of approximately \$12.8 million.

Guy Chartier, President and C.O.O. reports, "[new quote from GC needed here]"

The net loss for the nine month period was approximately \$660,000 or two cents per share, compared to \$1,266,000 or three cents per share in the preceding year. Adjusted for non-cash charges, the loss in cash terms was approximately \$588,000. The weighted average number of shares outstanding for the period was approximately 41.6 million compared to 39.9 million in the prior year. Leisure Canada invested approximately \$535,000 in its Cuban projects during the period, compared to approximately \$757,000 in 2003. Approximately 84 per cent was applied to the Monte Barreto project in Havana.

The Company did not carry out any financing activity during the period, funds on hand being adequate to support the project budgets in the near term.

General and administrative costs were lower by approximately 50 per cent on an overall basis. This was attributable to sharply reduced investor relations costs and to the Company's ability to restructure expenses to recover more shared costs with a company in an unrelated business that shares office and administrative resources.

Summary of management's discussion and analysis

During the nine month period reported on, the Monte Barreto and Cayo Largo projects were the Company's primary focus of development, and the Company expects this to continue in the near to medium term.

The Company reported on the topic "Business Risk – Contractual Deadlines" by stating that its development agreement with agencies of the Cuban state establishes deadlines for the completion of a number of preliminary tasks including feasibility studies for its development projects. Certain of these tasks were not completed by the original deadline as a result of delays by Cuban government agencies. Those agencies have accepted responsibility for the delays and have provided written consent to and approval of the completion of the certain preliminary stages. Although no formal documentation approving the extension of any such dates has been received by Leisure Canada from the Council of Ministers, internal documents from the Cuban Minister of Tourism confirm the approval of new deadlines for the completion of outstanding tasks.

Leisure Canada Inc.

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● November 2004

Page 2 of 2

[This is the previous quarterly news release conclusion: “Leisure Canada remains active in pursuing hotel project debt/equity partnerships and hotel management opportunities, while expanding its significant land positions in Cuba.”]

[A new concluding comment is needed from GC. . .]

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release

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