



LEISURE CANADA INC.

**LEISURE CANADA CLOSSES BROKERED PRIVATE PLACEMENT AND
ANNOUNCES MANAGEMENT CHANGES**

Not for distribution to U.S. Newswire Services or for Dissemination in the United States

Trading: TSX Venture: **LCN**

PRESS RELEASE

August 17, 2009

Vancouver – Leisure Canada Inc. (LCN-TSX-V) (the “Company”) is pleased to announce that it has closed the brokered private placement previously announced on July 13, 2009, issuing 71,582,535 units of the Company (the “Units”) at a price of \$0.20 per Unit raising aggregate gross proceeds of \$14,316,507 (the “Offering”), of which \$5,000,000 represents the bought portion of the Offering and \$9,316,507 represents the initial exercise of the option. The Offering was brokered by a syndicate of underwriters co-led by Dundee Securities Corporation and Paradigm Capital Inc., and including Northern Securities (together, the “Underwriters”). The Underwriters have the option to place up to an additional 28,417,465 Units for additional gross proceeds of up to \$5,683,493, at the sole discretion of the Underwriters exercisable in whole or in part at any time up to August 27, 2009.

Each Unit comprises one common share (each a “Unit Share”) and one-half of one common share purchase warrant of the Company (each whole such purchase warrant, a “Warrant”). Each Warrant is exercisable to acquire one additional common share of the Company (each a “Warrant Share”) at an exercise price of \$0.25 until December 31, 2010.

The Underwriters received a cash commission of \$780,300. The Underwriters were also issued 4,239,000 broker’s warrants (the “Broker Warrants”). Each Broker’s Warrant will entitle the holder to acquire one unit of the Company (each a “Broker Unit”) at an exercise price of \$0.20 until December 31, 2010.

The Unit Shares, the Warrants, the Warrant Shares and the securities comprising the Broker Units will be subject to a four-month hold period in Canada. Completion of the Offering is subject to receipt by the Company of all necessary regulatory approvals.

The proceeds from the Offering will be used for advancement of the Company’s existing real estate development opportunities in Cuba and for general corporate purposes.

The Company also announces the following changes to management which are expected to occur concurrent with the closing of the Offering. Mr. Walter H. Berukoff has resigned as President and Chief Executive Officer of the Company. In his place, Mr. Robin Connors has been appointed as President and Chief Executive Officer. Mr. Connors joined the Board of Directors of the Company on July 2, 2009. Mr. Berukoff will remain as Executive Chairman and will continue his involvement in the strategic management of the Company.

Leisure Canada is a leading developer of luxury resorts in Cuba, with multiple properties currently under development, including five-star hotels and championship golf courses.

Walter H. Berukoff
Chairman

Telephone: (604) 990-9599 or 1-888-600-8687
E-mail: info@leisurecanada.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release does not constitute an offer to sell or a solicitation to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended ("the U.S. Securities Act") or any state securities law and may not be offered or sold in the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available

Cautionary language:

Except for the historical and present factual information contained herein, the matters set forth in this news release, including words such as "expects", "projects", "plans", "anticipates" and similar expressions, are forward-looking information that represents management of Leisure Canada's internal projections, expectations or beliefs concerning, among other things, future operating results and various components thereof or the economic performance of Leisure Canada. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause Leisure Canada's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, those described in Leisure Canada's filings with the Canadian securities authorities. Accordingly, holders of Leisure Canada shares and potential investors are cautioned that events or circumstances could cause results to differ materially from those predicted. Leisure Canada disclaims any responsibility to update these forward-looking statements.