



**LEISURE CANADA INC.**

**LEISURE CANADA CLOSSES \$18,219,507  
BROKERED PRIVATE PLACEMENT**

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Trading: TSX Venture: **LCN**

PRESS RELEASE

August 28, 2009

*Vancouver* – Leisure Canada Inc. (LCN-TSX-V) (the “Company”) is pleased to announce the closing of the post-closing option (the “Option”) in respect of the brokered private placement previously announced on July 13, 2009 and in respect of which an initial occurred on August 17, 2009. Pursuant to such Option, 19,540,000 units of the Company (the “Units”) were issued at a price of \$0.20 per Unit raising aggregate gross proceeds of \$3,908,000. 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”).

On August 17, 2009, the Company announced the closing of the issue of 71,582,535 units for gross proceeds of \$14,316,507. Pursuant to such closing and the Option, the Company has raised a total of \$18,224,507 through the issuance of 91,122,535 Units.

Each Unit comprises one common share of the Company (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.

Pursuant to the closing of Units under the Option, the Underwriters received (i) a cash commission of \$48,180 and, (ii) 245,500 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.

Walter Berukoff, Executive Chairman stated, “The raising of over \$18 million represents a significant milestone in the history of Leisure Canada. This financing confirms our shareholders confidence with the largest equity financing in the Company’s 23 year history.” Robin Connors, the Company’s newly appointed President and Chief Executive Officer added, “We are pleased with the success of this placement in a challenging

financial market. The proceeds will provide the critical capital for the Company to realize upon the enormous potential of its developments in Cuba.”

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.

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

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