

**The Most Powerful Name In Corporate News and Information**

**Building The First Full 5-Star Hotel In Havana, Cuba And A Luxury Resort Hotel In Cayo Largo, Has Leisure Canada Inc. Well Positioned To Take Advantage Of Real Estate Opportunities Available To Meet The Demands Of Cuba's Booming Tourism Industry**



**LEISURE CANADA INC.**

**Developers  
Real Estate  
(LCN-TSXV)**



**Robin Conners  
President, CEO and Director**

**BIO:**

Mr. Conners' experience includes venture financing, primarily focused on hospitality and leisure markets. He concluded the first North American property transactions with The Resolution Capital Corporation of Japan. As Vice President of Commercial Development with Intrawest Corporation ("Intrawest"), Mr. Conners coordinated projects in Canada, the

United States, and Europe. Mr. Conners worked with the St. Joe Company; Florida's largest real estate development company with over 850,000 acres of land in Northwest Florida. He held positions as VP Business Development and VP Strategic Planning, overseeing \$2.5 billion in development projects. Mr. Conners is the founding partner of 360 Vox Inc., a specialized project development company focused on partnering in the development and operation of large scale mixed use projects. As one of 360's founding partners Mr. Conners has completed projects in Asia, The Emirates, Europe, Barbados, The US Virgin Islands Cuba, Mexico and the Americas.

**Company Profile:**

Leisure Canada is the leader in luxury resort development in Cuba, with multiple properties currently under development, including five-star hotels, convention facilities and championship resort golf courses. LCN is the largest foreign holder of surface rights in Cuba. The company's unique Cuban business license allows for diversification into virtually any business sector within the country.

**Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFOinterviews.com**

**CEOCFO:** Mr. Conners, what is the focus of Leisure Canada?

**Mr. Conners:** The focus at Leisure Canada is very much opportunities in Cuba; our real estate opportunities are our principle focus. Currently three significant projects are under development in Cuba. Our projects are focused on the leisure, recreation, and business sectors of the hospitality industry. The first project is in Havana, the second project is in Cayo

Largo, which is an island in the Caribbean Sea southwest of Havana. The third project is Jibacoa located half way between Varadero and Havana.

**CEOCFO:** Why did you choose Cuba?

**Mr. Conners:** Cuba is one of the few destinations in the Americas that have seen year-over-year growth in the last fifteen years; in tourism double-digit growth that averaged right up until this last year 15% annually. So it has been a destination where there is considerable opportunity related to a dearth of four and five-star infrastructure. There has traditionally been good three- and four-star infrastructure. As the market has matured and become more sophisticated obviously the demand for higher end product is growing rapidly.

**CEOCFO:** What is causing the increase in interest?

**Mr. Conners:** There are several factors. Certainly Canada has had an open relationship with Cuba these last years including helping them build their international airport and many infrastructure related projects. The relationship at the government-to-government level has been a very positive one. That has allowed a lot of Canadian entrepreneurs to move into that marketplace and take advantage of the opportunities associated with the growth Cuba. Havana is a world heritage site and there are some real qualities that differentiate this destination from many others and of course that presents with some very unique opportunities as well. Leisure Canada has been a company that first got involved in Cuba by way of Mr. Walter H. Berukoff, who was chairman of the company, moving into the mining sector in Cuba, and basically developing some new mines in that marketplace very

successfully. This was over fifteen years ago, and as these projects were quite successful, he was asked by the Cuban government to invest some of his profits back into tourism and infrastructure and that was how Leisure Canada was born. This is a company that has expertise in many levels of business; right at this particular moment we are focused on recreational real estate opportunities.

**CEOFCO:** Would you tell us more about the three properties; what is going on today?

**Mr. Conners:** We are very close to beginning construction on our Havana project, which is in downtown Havana. It is one of the last large sites quite frankly in the city of Havana. It is right on the beach and it is a very significant site on an entire city block on the ocean. We are building the first full five-star hotel in Havana, constructed to North American standards and to south Florida hurricane standards. That is a 750 all-suite hotel conference center, commercial center, with spa wellness component included. The second product in Cayo Largo is a more traditional resort type product. It is a significant sized site as well. Cayo Largo is a very interesting destination and one of the top ten dive destinations in the world. It is also rated one of the top five most beautiful beaches in the Americas. It is part of an archipelago runs about 110 kilometers and it is one of the largest contiguous reef in the Americas and a very healthy one at that. This is an environmentally sensitive zone and Cubans are very protective of this area; the islands themselves are quite spectacular. Cayo Largo also has a full airport that would accommodate wide body aircraft and is currently serviced by the likes of British Airways, and Iberia. This is already quite a well-known destination. We are just at the initial planning stage on this development right now; we are looking at a 350 all-suite luxury resort on this site.

**CEOFCO:** And your third property?

**Mr. Conners:** Our third site Jibacoa will be a large-scale village based destination resort covering three square miles with a

marina, three championship golf courses and 2,000 luxury units.

**CEOFCO:** How is it working with the Cuban people?

**Mr. Conners:** The Cuban people are very good partners. They are extremely well organized and operate I would say very close to European standards in terms of entitlements and construction standards. They have a very methodical approach to these large-scale developments, so anything that we would do here in North America relative to environmental approvals would typically happen in Cuba. They are extremely professional, and the island of Cuba enjoys one of the highest rates of education of any country in the world. They have a 97% literacy rate and the highest level of postgraduate study of

**We are well positioned as a company operating in Cuba to take advantage of opportunities for growth going forward. It does take several years to get your business licenses; in Cuba it can take at least that amount of time again to identify a project and work through the entitlements necessary to develop the projects. We have a significant lead-time in terms of operating and developing in Cuba. We also have a unique business license that allows us to operate not just in the hospitality sector, but in other business areas as we identify opportunities that we feel meet with our objectives. - Robin Conners**

any country in the world so from a human resource perspective it is very easy to work with these people. Cuba enjoys a large pool of high-quality professionals; having those kinds of resources at your disposal is a big plus.

**CEOFCO:** You have been ranked #2 in the sector as part of the 2010 TSX Venture 50, would you tell us about that?

**Mr. Conners:** We were certainly pleased to be named to that list. It reflects the growing opportunity in Cuba. With the American administration lifting the ban on Cuban/American travel to and from Cuba, as well as allowing Cuba to join the Association of American States, I believe the terminology is the olive branch seems to have been offered out. There is a growing anticipation that American/Cuban relations will move towards a more normal platform in days to

come. American legislation and specifically the Cuba embargo was quite onerous for the Cuban people and made it very difficult for companies such as ourselves to finance, so this was a company that was in a bit of hiatus during the Bush administration. There has been continued growth even through this recession in Cuban tourism, so the confidence level in and around Cuba is probably at a very positive level at this point in time. We are seeing a lot more business activity in Cuba, we are seeing a more positive view relative to the future and of course that has helped us to go out and raise additional capital for our company. In addition, we have engaged an entirely new management team. What all that means is we are well positioned as a company operating in Cuba to take advantage of

opportunities for growth going forward. It does take several years to get your business licenses; in Cuba it can take at least that amount of time again to identify a project and work through the entitlements necessary to develop the projects. We have a significant lead-time in terms of operating and developing in Cuba. We also have a unique business license that allows us to operate not just in the hospitality sector, but in other business areas as we identify opportunities that we feel meet with our objectives.

tives.

**CEOFCO:** Would you touch on your background; what have you done that uniquely qualifies you to lead the Leisure Canada efforts?

**Mr. Conners:** My background is pretty well suited for this. We had been doing some business through a consulting company with Leisure Canada and with the Cuban government over the last 4 or 5 years. So when we saw the changes coming in and around Cuba, we thought that it was a very good time for Leisure Canada, from an opportunity perspective to go back out to the market to raise capital and to reposition itself relative to the unique opportunities it has developed over the last ten years. We then approached Mr. Berukoff as chairman and he convinced us to join him in that process. We did go out and successfully raise

capital to refinance the company and to restart these projects. My background has basically been airline industry, moving into the hotel industry, moving into the financial side of hotels and large-scale developments. I worked for companies like Intravel and the St. Joe companies in northwest Florida. My entire career has been in this sector. I have done everything from operating hotels, building them, and contracting them when I was in the airline business. So I understand the sector in a very vertical sort of way. I have also been involved in the technology sector in and around this business. This is an opportunity that I particularly like in terms of my own personal experience and background, the Cubans are very fine people to do business with, they are very ethical, very straight-forward, there are no surprises. The opportunity I have had over the last five years working in Cuba of course just reinforced my view of the opportunity.

**CEO/CFO:** In closing, why should potential investors be interested in Leisure Canada?

**Mr. Conners:** During the previous administration the stock really suffered because there was just no way anybody doing business in Cuba could proceed with the financing of their project. In the current environment we have been able to go back out to the market, and raise enough capital to get the company back on track. We have a completely world-class management team in place, from our CFO all the way to our development teams in Cuba. We have a highly experienced group of professionals that have experience not in this industry segment, but in Cuba as well. The big opportunity is the massive growth that this island is going to see over the next many years. The other side of it is quite frankly the drivers in this marketplace are unique, barriers to entry are significant. So here is a pure play Cuban company that is uniquely positioned in Cuba. We have an opportu-

nity to leverage our position in Cuba unlike anybody else in that marketplace. From an access perspective there is no other way to really invest in Cuba in this segment other than through LCN at this particular point in time, and again because of those barriers of entry it could be several years before anybody else is in a similar position. The other thing is it is not just about growth, there is a very good chance that we will see over the next couple of years a more normalized relationship with the US. At one point US tourism to Cuba was 90% of all tourism; today over 50% of the tourism to Cuba is Canadian. We are obviously a Canadian company, and we have the relationships with the airlines, with the tour operators, so moving into this business segment for us is very natural. So again I think that the short-term as well as the long-term prognosis for Cuba is very positive and that makes Leisure Canada a unique opportunity to gain access to this marketplace.



LEISURE CANADA INC.

**Leisure Canada Inc.**  
**311 West 1<sup>st</sup> Street**  
**North Vancouver BC Canada**  
**V7M 1B5**  
**Phone: 604-990-9599**