



***LEADER ENERGY TO PROVIDE CEMENTING SERVICES;  
\$25 MILLION BOUGHT DEAL PRIVATE PLACEMENT FINANCING***

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August 11, 2005, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") today announced it will be expanding its range of services to include cementing services. Cementing services are commonly employed when drilling a well and are often required during the producing life of a well. Primary cementing treatments are required during the initial drilling of an oil or gas well to support the production casing within the wellbore and also to isolate producing zones. Remedial cementing services are used occasionally during the life of a producing well.

Upon evaluating a set of critical success factors including competition, ability to penetrate the market, capital requirements, performance metrics and work force requirements, Company management and the board of directors determined that commissioning this expansion forms an integral part of the overall growth strategy for the Company. Given equipment and facility lead times the Company expects cementing services to be commercially available by mid-2006.

To facilitate this expansion, Leader has entered into a financing agreement to issue 6,557,400 common shares on a "bought deal" basis (the "Financing"). In addition, Westwind shall have an option to purchase up to an additional 1,639,400 common shares, exercisable prior to the closing of the Financing (the "Underwriters' Option"). The common shares will be issued on a private placement basis at a price of \$3.05 per share. The aggregate gross proceeds of the Financing, if the Underwriter' Option is exercised in full, is \$25,000,240. The Financing is being completed through a syndicate of underwriters led by Westwind Partners Inc.

The offering is scheduled to close on or about August 30, 2005 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange.

It is expected that the proceeds from this offering and the addition of \$9 million of term debt from Leader's primary lender will be satisfactory to fund the expansion to cementing services. As a result of this financing, updated guidance for the Company's financial performance through the balance of 2005 will be provided concurrent with the release of second quarter results on or about August 29, 2005.

Leader Energy Services provides essential field services for oil and gas well stimulation from three locations in Grande Prairie, Red Deer and Hinton, Alberta. Leader supplies coiled tubing and flameless nitrogen pumping services as well as other flameless equipment and services.

Further information on Leader can be found under the Company's listing at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.leaderenergy.com](http://www.leaderenergy.com).

Certain statements contained in this press release, including statements which may contain words such as “could”, “should”, “expect”, “estimate”, “believe”, “likely”, “will”, or estimates of business activity, and similar expressions and statements relating to matters that are not historical facts, are forward looking statements. Such statements involve known and unknown risks and uncertainties that may cause the actual results, performance or achievements of Leader to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Factors include commodity prices, demand for oil and gas related products and service, competition, political and economic conditions, demand and acceptance of new products and ways of doing business, changes in laws and regulations to which Leader is subject, and the ability to attract and retain key personnel.

**For further information contact:**

Rod Hauser, President & CEO  
T: (403) 265-5400  
E: [r.hauser@leaderenergy.com](mailto:r.hauser@leaderenergy.com)

Jim Ashbaugh, Vice President & CFO  
T: (403) 265-5400  
E: [j.ashbaugh@leaderenergy.com](mailto:j.ashbaugh@leaderenergy.com)

Jason Krueger, Investor Relations  
T: (403) 374-1234  
E: [jason@redwood-capital.com](mailto:jason@redwood-capital.com)

***The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.***