



## ***LEADER ENERGY SERVICES ANNOUNCES EXERCISE OF UNDERWRITERS' OPTION***

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August 16, 2005, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. (“Leader” or the “Company”) announced today that the underwriters for the bought deal financing announced on August 11, 2005 have exercised in full its option to purchase an additional 1,639,400 common shares at \$3.05 per common share, bringing the total number of common shares to be issued to 8,196,800, for total gross proceeds of \$25,000,240. The underwriting syndicate is led by Westwind Partners Inc. and includes Research Capital Corporation, JF Mackie & Company Ltd., and Orion Securities Inc. Closing of the offering is expected to occur on or about August 30, 2005, and is subject to regulatory approvals.

Leader 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.

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