



***LEADER ANNOUNCES CLOSING OF
\$25 MILLION BOUGHT DEAL PRIVATE PLACEMENT FINANCING***

August 30, 2005, Calgary, Alberta– (TSX Venture: - LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") announced that it has completed the issuance of 8,196,800 shares for gross proceeds of \$25,000,240. Westwind Partners Inc., Research Capital Corporation, J. F. Mackie & Company Ltd. and Orion Securities Inc. acted as underwriters for this offering. The common shares issued at closing will be subject to a hold period until December 31, 2005.

It is expected that the proceeds from the offering and the addition of \$9 million of term debt from Leader's primary lender will be satisfactory to fund the expansion of the Company's range of services to include cementing services.

Leader Energy Services provides essential field services for oil and gas well stimulation from three locations in Alberta. Leader supplies coiled tubing and flameless nitrogen pumping services as well as other flameless ancillary equipment and services including hot oilers, boilers and steamers.

Further information on Leader can be found under the Company's listing at www.sedar.com and on the Company's website at 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.