



LEADER ENERGY SERVICES ANNOUNCES THIRD AND FINAL CLOSING OF PRIVATE PLACEMENT; OVERSUBSCRIBED BY \$6.5 MILLION

February 18, 2005, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") announced that it has completed the issuance of 3,400,000 Units for gross proceeds of \$4,250,000. As previously announced, each Unit consists of one common share and one half of a warrant, each whole warrant entitling the holder to subscribe for one common share for \$1.70 for a 2 year period from closing. The Units will be subject to a hold period until June 19, 2005. Research Capital Corporation acted as agent for this offering, and received a commission of \$340,000 and an option to purchase 510,000 Units at \$1.25 per Unit for a 2 year period from closing.

Due to an overwhelming demand from investors, the offering was increased twice and generated subscription interest of \$18,500,000. Including the latest closing of \$4,250,000, the Company has successfully raised \$12,000,000, consisting of a \$2,000,000 short form offering and a \$10,000,000 private placement. The proceeds of the combined \$12,000,000 offering will be used to build additional field equipment for Leader's existing nitrogen pumping, coiled tubing business and retire high interest debt.

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

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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.