



## ***LEADER PROVIDES OPERATIONAL AND MANUFACTURING UPDATE***

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August 30, 2006, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") provides the following update of the Company's manufacturing and operations.

### **Cementing - Canada**

Since its last operational and manufacturing update of July 24, 2006, Leader has successfully completed more than 125 cement jobs. The cementing units, which employ the new pumping systems, experienced no mechanical difficulties whatsoever. Clients are extremely pleased with Leader's equipment and service.

The Company took delivery of its third and fourth cementing units this week. By the end of September Leader will operate four twin and six single cementing units, and will take delivery of the remaining four twins and four singles during the fourth quarter for a total of 18 cementing units and 25 cement bulkers operating in the field by December 15.

### **Well Stimulation - Canada**

Leader presently operates seven coiled tubing units and will have five additional units in service by the end of November. Fourteen nitrogen pumpers will be operating in Canada by the end of September.

### **Well Stimulation - United States**

Operating activity levels are excellent in the northeastern United States. Leader has been increasing field staff levels, concurrent with an increase in utilization rates. The Company anticipates utilization rates will increase from 25% pre-acquisition, up towards 50% by year end. Additionally Leader has taken possession of a leased facility in Rock Springs, WY and anticipates operating two coiled tubing and two nitrogen/fluid pumpers with support equipment from the new location by the end of December.

### **General**

Leader started a training program April 15 for new coiled tubing and nitrogen operators in Canada and the United States. Additionally the Company has numerous applicants to select from as the Company continues to grow. Leader has secure supplies for its services including nitrogen, coiled tubing and cement. Leader's competitive advantage remains being focused on having the best personnel, the most advanced equipment and providing superior and reliable services to our customers. A further operational and manufacturing update will be provided by mid-October.

Leader Energy Services provides well stimulation and cementing services in western Canada and the northeastern United States. Leader will exit 2006 with 118 field units operating from six locations. 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).

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