



LEADER ENERGY SERVICES ANNOUNCES \$25 MILLION LOAN FACILITY

September 15, 2006, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") has established a 364 day committed revolving facility with HSBC Bank Canada in the amount of up to \$25 million CDN. The facility provides more flexibility to manage the Company's capital structure given the scope of its accelerated expansion plans.

The revolving facility requires monthly interest payments of the Bank's prime rate plus 0.75% on any amounts advanced. This facility is renewable annually, subject to mutual consent of the lender and the Company maintaining compliance with certain financial covenants and other conditions. The facility is secured by a general security agreement, covering substantially all of Leaders' Canadian operating assets.

Leader may request that HSBC extend the revolving facility beyond the initial term for an additional 364 day period. If the revolving facility has not been extended it will convert to a term facility, and the outstanding balance of the revolving facility and any accrued interest thereon shall be repaid over the ensuing four year period.

Leader Energy Services provides well stimulation and cementing services in western Canada and the northeastern United States. 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.