



## **LEADER ENERGY SERVICES ANNOUNCES CLOSING OF \$15 MILLION CONVERTIBLE DEBENTURE FINANCING**

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February 28, 2007, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") is pleased to announce that it has completed its previously announced private placement of senior unsecured convertible debentures (the "Debentures") for total gross proceeds of \$15,000,000 (the "Financing"), through a syndicate of agents led by Westwind Partners Inc. and including Orion Securities Inc. (collectively, the "Agents"). Leader issued 10,000 Debentures plus an additional 5,000 Debentures on full exercise of the Agents' option for a total of 15,000 Debentures, at a price of \$1,000 per Debenture. The Debentures will bear interest at a rate of 10.0% per annum payable semi-annually in arrears, commencing six months from the closing date of the offering and will not be redeemable. The Debentures will mature March 31, 2012 and are convertible at any time at the option of the Debenture holder into common shares of the Company ("Common Shares") at an initial conversion price of \$1.60 per Common Share.

The net proceeds of the offering will be used by Leader for general corporate purposes and debt repayment. The Financing remains subject to TSX Venture Exchange final approval.

Additionally, Leader expects to provide an update shortly regarding the sale/leaseback arrangement for the Company's land and buildings located in Brooks, Red Deer and Grande Prairie, Alberta.

Leader Energy Services Ltd. 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](http://www.sedar.com) and on the Company's website at [www.leaderenergy.com](http://www.leaderenergy.com).

### **For further information contact:**

Rod Hauser  
President & CEO  
T: (403) 265-5400  
[r.hauser@leaderenergy.com](mailto:r.hauser@leaderenergy.com)

Jason Krueger, CFA  
Director, Investor Relations  
T: (403) 374-1234  
[jason@redwood-capital.com](mailto:jason@redwood-capital.com)

Don Baird, CA  
Chief Financial Officer  
T: (403) 265-5400  
[d.baird@leaderenergy.com](mailto:d.baird@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.**