LEADER ENERGY SERVICES ANNOUNCES THIRD QUARTER RESULTS

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

November 29, 2007, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") today announced financial and operating performance for the three and nine-month periods ended September 30, 2007.

Third Quarter Performance Summary (in '000s of dollars)

Quarter ended,	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
Revenue	**$ 10,507**	$ 11,837	(1,330)	(11)
Operating	**9,279**	8,235	1,044	(2)
General and administrative	**2,153**	2,191	(38)	(2)
EBITDAS*	**(925)**	1,411	(2,336)	(166)
Amortization	**2,519**	1,294	1,225	95
Stock compensation	**258**	421	(163)	(39)
Interest	**1,382**	270	1,112	412
Goodwill impairment	**7,649**	-	7,649	N/A
Bad debt expense	**118**	-	118	N/A
Writedown of property, equipment and pre-operating costs	**12,749**	-	12,749	N/A
Other	**(366)**	82	(448)	(546)
Net (Loss) Income before tax	**(25,234)**	(492)	(24,742)	(5,029)
Provision for tax expense (recovery)	**(286)**	(5)	(281)	5,620
Net (Loss) / Income	**$ (24,948)**	$ (487)	(24,461)	(5,023)

Nine months ended,	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
Revenue	**$27,520**	$27,977	(457)	(2)
Operating	**27,526**	18,061	9,465	52
General and administrative	**6,585**	5,272	1,313	25
EBITDAS*	**(6,591)**	4,644	(11,235)	(242)
Amortization	**7,358**	2,539	4,819	190
Stock compensation	**820**	928	(108)	(12)
Interest	**3,757**	352	3,405	967
Goodwill impairment	**7,649**	-	7,649	N/A
Bad debt expense	**118**	-	118	N/A
Writedown of property, equipment and pre-operating costs	**12,749**	-	12,749	N/A
Other	**(442)**	234	(676)	(289)
Net (Loss) income before tax	**(38,600)**	1,059	(39,659)	(3,745)
Provision for tax expense (recovery)	**(1,740)**	702	(2,442)	(348)
Net (Loss) / Income	**(36,860)**	357	(37,217)	(10,425)

* EBITDAS is defined as earnings from continuing operations before interest, taxes, amortization, and stock based compensation. Readers are cautioned that EBITDAS is generally regarded as an indirect measure of operating cash flow, and, as such, the Company believes it is a significant indicator of success of public companies, and is particularly relevant to readers within the

investment community. EBITDAS is not a measure that has a standardized meaning prescribed by Canadian GAAP, and accordingly may not be comparable to similar measures used by other companies.

Overview

Headquartered out of Calgary, Alberta, Leader's Canadian operations are managed through two facilities located in Northern and Central Alberta. From these bases the Company offers well stimulation services across the entire Western Canadian Sedimentary Basin ("WCSB"). Services in the United States, which are comparable to the services provided in Canada, are currently being conducted from bases in Michigan and West Virginia.

During the third quarter of 2007 Canadian revenue was lower than forecast during the period, and was also lower than the corresponding quarter in 2006. The lower than forecast revenue occurred due to the demand for well stimulation and cementing services in western Canada being depressed as a result of persistent low natural gas prices, an oversupply of equipment and uncertainty related to the Alberta Provincial government's Royalty Review Program. Revenues from United States operations in the third quarter of 2007 were lower than forecast due to slower than planned deployment of equipment from Canada to United States market as a result of capital constraints and a planned curtailment on company-wide capital expenditures. Although the Company generated negative EBITDAS of $0.9 million for the third quarter of 2007, this was an improvement of $3.1 million over the second quarter of 2007.

As disclosed in a press release dated November 5, 2007, Leader ceased operations of its Canadian Cementing division on November 7, 2007. The current and ongoing operations associated with Leader's Canadian Coiled Tubing and Nitrogen Division, as well as Leader's United States activities, will not be affected by the aforementioned shutdown of its Cementing division. Leader has completed the sale of a number of Canadian cementing assets and has received approximately $9 million to date, and is currently negotiating sales for the balance of these assets with various parties. Further proceeds from asset sales are estimated at $6 to $10 million. This process is expected to conclude by the end of December. Proceeds from these asset dispositions will be used to reduce the Company's outstanding bank indebtedness. Leader remains in breach of certain financial covenants under its credit facility with its principal lender and continues to work with its lender to resolve this issue. See the discussion under the Liquidity and Capital Resources section of this press release for additional details on the Company's bank indebtedness.

The current and ongoing operations associated with Leader's Canadian Coiled Tubing and Nitrogen Division, as well as Leader's United States activities, will not be affected by the aforementioned shutdown of the Canadian Cementing division. The Company's Canadian operations will continue to be conducted out of Leader's existing Alberta locations in Red Deer and Grande Prairie.

Management will continue to deploy its resources in Canada and the United States as effectively as possible in order to generate maximum EBITDAS. The Company will also continue to monitor costs and take advantage of cost savings opportunities wherever possible.

Results of Operations

Canadian Operations

Well Stimulation Services (in '000s of dollars except for per day amounts)

Quarter ended,	**Sept. 30, 2007**	Sept. 30, 2006	Change	% Change
Revenue	**4,766**	7,283	(2,517)	(35)
Operating	**3,256**	5,066	(1,810)	(36)
Field profit	**1,510**	2,217	(707)	(32)
Number of operating days	**409**	589	(180)	(31)
Average revenue per day	**11,653**	12,365	(712)	(6)

Nine months ended,	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
Revenue	**13,499**	22,988	(9,489)	(41)
Operating	**11,924**	14,789	(2,865)	(19)
Field profit	**1,575**	8,199	(6,624)	(81)
Number of operating days	**1,172**	1,969	(797)	(40)
Average revenue per day	**11,518**	11,675	(157)	(1)

- Field profit (loss) is a measure not recognized under Canadian GAAP. Management believes that field profit (loss) provides investors with an indication of earnings before administrative costs, depreciation, interest, and taxes. Readers are cautioned that field profit should not be considered as an alternative to net income determined in accordance with Canadian GAAP as an indicator of the Company's performance.
- Operating activity is comprised of the total number of operating days or jobs generated during the year.

Revenues in the Canadian well stimulation division experienced a significant third quarter year over year decrease with revenues for the current quarter being 35% below the comparable quarter in 2006. The Company continues to be hampered by low activity levels due to decreased demand related to very low drilling activity levels and poor weather conditions. Due to the slow down in well servicing activity commencing in the second half of 2006 and which has persisted through the third quarter of 2007, the 2007 year to date activity levels and financial results for the Canadian well stimulation division were well below the comparable period for the prior year.

Operating costs totalled $3.3 million during the third quarter of 2007 versus $5.1 million during the third quarter of 2006, and $11.9 million versus $14.8 million respectively for the nine months ended September 30, 2007 and September 30, 2006. Operating costs for the 2007 periods did not decline at the same rate as revenues due to certain costs being either fixed or semi-fixed and the requirement to maintain minimum staffing levels for anticipated future work. More substantial operating cost reductions were achieved in the third quarter of 2007 due to significant operational staff restructuring effected in April of 2007.

Average revenue per day for the third quarter and third quarter year to date in 2007 was less than that of 2006 due to increasing competition in the industry. As a result of increased competition coupled with a decrease in utilization, field profit (loss) for the third quarter 2007 and year to date September 30, 2007 was significantly lower than that generated in the corresponding 2006 periods.

Cementing Services (in '000s of dollars except for per job amounts)

Quarter ended	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
Revenue	**2,613**	1,430	1,183	83
Operating	**3,616**	1,420	2,196	155
Field profit(loss)*	**(1,003)**	10	(1,013)	(10,130)
Number of jobs	**449**	197	252	128
Average revenue per job	**5,820**	7,258	(1,438)	(20)

Nine months ended	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
Revenue	**7,133**	1,430	5,703	399
Operating	**9,959**	1,420	8,539	601
Field profit(loss)*	**(2,826)**	10	(2,836)	(28,360)
Number of jobs	**994**	197	797	405
Average revenue per job	**7,176**	7,258	(82)	(1)

Activity levels for the Canadian cementing division were very low since commencement of operations in 2006. As a result, Leader ceased the operations of its Canadian Cementing division on November 7, 2007. Leader has completed the sale of a number of Canadian cementing assets and has received proceeds of $9 million to date, and is currently negotiating sales for the balance of these assets with various parties. This process is expected to conclude by the end of December 2007. Proceeds from these dispositions will be used to reduce the Company's outstanding bank indebtedness.

United States Operations (in '000s of dollars except for per job amounts)

Quarter ended,	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
Revenue	**$2,936**	$3,116	$(180)	(6)
Operating	**2,311**	1,308	1,003	77
Field profit*	**514**	1,808	(1,294)	(72)

Nine months ended	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
Revenue	**$6,684**	$3,535	$3,149	89
Operating	**5,544**	1,411	4,133	293
Field profit*	**1,140**	2,124	(984)	(46)

The Company's United States based operations were initiated with the acquisition of Michigan based Cementrite, Inc. on June 14, 2006. Subsequent to acquiring Cementrite, Inc. the Company has been able to expand its business opportunities both within and outside the state of Michigan. Leased operations centres are being completed in Jane Lew, West Virginia and Minot, North Dakota.

Revenue for the United States segment of the Company has not met forecast as a result of the aforementioned slower than planned deployment of equipment from Canada to the United States. Operating expenses remain favourable compared to Canadian based operations predominantly due to lower labour costs and working conditions are also more favourable in the United States due to less rugged terrain and milder weather conditions that serve to reduce equipment maintenance costs. Due to the comparatively lower operating costs in the United States as compared to Canada, the United States has been able to generate positive field profits from a relatively low revenue base.

With the deployment of equipment from the Canadian to United States market being slower than anticipated, due to both slow delivery of parts from suppliers needed in order to utilize equipment sent to the United States and a restriction on Company-wide capital expenditures, the speed of increasing operational activity levels in the United States has been slower than management had planned. Management is working to resolve the issues that have caused this delay in order to capitalize on the opportunities identified in the United States.

Management expects United States activity levels and resulting field profit to continue increasing throughout the remainder of 2007 and during 2008.

General & Administrative expenses (in '000s of dollars except for per job amounts)

Quarter ended	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
General & Administrative	**$2,153**	$2,191	$(38)	(2)

Nine months ended	**Sept. 30, 2007**	Sept. 30, 2006	$ Change	% Change
General & Administrative	**$6,585**	$5,272	$1,313	25

General and administrative expenses consist primarily of costs related to staffing and shared corporate services. Although third quarter 2007 general and administrative costs were in line with the corresponding 2006 period, expenses for the nine-month comparative periods increased 25%. On a go forward basis general and administrative expenditures are expected to decline substantially due to ceasing Canadian cementing operations and further cost controls that will be implemented during the fourth quarter.

General and administrative costs consist of staff, legal, insurance, and facility costs that are incurred in conjunction with current activities and expanding business operations.

Amortization, Stock Compensation and Interest Expense

The Company's amortization expense increased by $1.2 million in the third quarter of 2007 over the similar 2006 period as a result of the full operation of the Canadian Cementing division and property and equipment increases of approximately $18 million before capital asset impairment between September 2006 and 2007.

Third quarter 2007 stock compensation expense at $258,000 decreased by $163,000 from the comparative period in 2006 with a reduced number and related cost of options for the comparative periods.

Interest expense for the Company's demand non-revolving facility was nil in the third quarter of 2007 as this facility was repaid in the first quarter of 2007. Interest of $1.4 million on long-term debt and capital leases for the third quarter of 2007 exceeded that recorded during the third quarter of 2006 due to the Company's further use of the credit and capital lease facilities over the past year.

Impairment of Assets Held for Sale, Goodwill and Pre-operating Costs

During the period, the Company realized impairment in the value of its cementing assets amounting to $12,330,000 in order to reflect the approximate net realizable value of these assets.

During the period, the Company also realized impairment in the value of its customer list of $833,000 to reflect the approximate net realizable value of this asset, and impairment in the value of goodwill in the amount of $6,766,000 during the period due to uncertainty regarding future cash flows with respect to the United States operating segment.

Pre-operating costs represent certain incremental costs incurred during the start-up of the Company's Canadian cementing division, U.S. operations and for certain administrative activities with respect to development of the Company's evaporation system. Amortization of these costs is based on their expected period and pattern of benefit commencing in 2006, with the costs being written off over a maximum period of two years. During the period, the Company realized impairment in the value of these pre-operating costs in the amount of $419,000 to reflect the approximate net realizable value of these assets.

Liquidity and Capital Resources

As at September 30, 2007 the Company had drawn approximately $24.3 million of its $25.0 million revolving credit facility. The amount drawn on the revolving credit facility increased from the second quarter 2007 level of $22.4 million as a result of funds required for general working capital requirements. The Company had a working capital balance at the end of the third quarter of 2007 of negative $27.5 million as compared to negative $1.9 million at the end of the second quarter of 2007, due primarily to the reclassification of the Company's revolving loan as current as a result of the Company not being compliant with certain financial covenants on this facility.

Earnings performance that was well below expectations for the past four quarters, combined with industry demand that remains uncertain for the balance of 2007 and through 2008, required and will continue to require significant steps to be taken over the coming months in order to maintain Leader's financial flexibility and long-term viability. These steps included a sale-leaseback transaction for the Company's three Alberta facilities, the issuance of a convertible, subordinated debenture, a reduced capital expenditure program for the balance of 2007, the implementation of cost control measures and the ceasing of operations and sale of assets in the Company's Canadian Cementing division. Funds from operations were expected to be the primary source of funding for all 2007 expenditures, however, poor financial performance in the current year to date required the utilization of the Company's credit facility for operating losses and capital expenditures incurred during that period. It is expected that proceeds from Canadian cementing equipment sales will significantly reduce the Company's revolving credit facility.

During the quarter ended September 30, 2007, the Company's financial institution continued to allow the Company to draw on the revolving credit facility subsequent to the facility's maturity date.

Leader remains in breach of certain financial covenants under its credit facility with its principal lender and continues to work with its lender to resolve certain issues. Subsequent to the quarter ended September 30, 2007, the Company's financial institution has used all proceeds from the sale of Canadian cementing assets to pay off the Company's Overdraft facility and pay down the Company's Revolving Facility, and has cancelled the Overdraft Facility and is reviewing whether and on what terms further access to the Revolving Facility will be made. Management is currently working with its bank with a view to putting longer-term, reduced credit facilities in place for the Company. Additionally Leader is considering various alternatives with respect to new lenders.

During the first quarter of 2007 Leader completed a private placement of senior unsecured convertible debentures for gross total proceeds of $15 million, bearing interest at 10% per annum payable semi-annually. Leader has obtained a waiver from each holder of the 10% senior unsecured debentures due March 31, 2012 for the non-payment of interest due to such holders on September 30, 2007, which interest must now be paid on or before November 30, 2007 unless a further waiver is obtained.

As a result of the Company's significant investment in new equipment since late 2005, combined with the softening of demand for its services in 2006 and 2007 due to the industry downturn, for the remainder of 2007 the Company is proceeding with only selected capital commitments that are focused on improving access to higher margin work, increasing operational flexibility and efficiency and improving utilization rates.

Summary of Quarterly Results ('000s - unaudited):

	Q3 2007	Q2 2007	Q1 2007	Q4 2006
Revenue	$10,507	$5,254	$ 11,759	$ 12,441
Income (loss) before income taxes	(25,234)	(8,044)	(5,322)	(4,604)
- per share basic	(0.63)	(0.20)	(0.13)	(0.11)
- per share diluted	(0.63)	(0.20)	(0.13)	(0.11)
Net Income (loss)	(24,948)	(8,318)	(3,594)	(3,422)
- per share basic	(0.63)	(0.21)	(0.09)	(0.09)
- per share diluted	(0.63)	(0.21)	(0.09)	(0.09)

	Q3 2006	Q2 2006	Q1 2006	Q4 2005
Revenue	$ 11,837	$4,895	$ 11,246	$6,618
Income (loss) before income taxes	(492)	(2,277)	3,828	1,044
- per share basic	(0.01)	(0.07)	0.12	0.02
- per share diluted	(0.01)	(0.07)	0.11	0.02
Net Income (loss)	(487)	(1,600)	2,444	732
- per share basic	(0.01)	(0.05)	0.08	0.02
- per share diluted	(0.01)	(0.05)	0.07	0.02

Outlook

Energy industry activities for the balance of 2007 and 2008 continue to reflect uncertainties caused by changes to the Alberta provincial royalty regime and lower natural gas drilling levels. A consensus view has not emerged from industry forecasters regarding the timing of a return to higher levels of natural gas drilling. Both the Canadian Association of Oilwell Drilling Contractors and The Petroleum Services Association of Canada are forecasting significantly decreased drilling activity for the remainder of 2007 and for 2008 as compared to the record levels achieved during 2005 and 2006 activity.

Leader's key focus during the remainder of 2007 will be on achieving operational efficiencies in order to maximize corporate profitability. Leader has undertaken and will continue to undertake the following initiatives in this respect:

- Restructuring debt facilities and reducing debt levels through asset sales;
- Reducing internal costs wherever possible;

- Redeploying underutilized equipment to Leader's United States operations; and
- Closely monitoring and minimizing capital expenditures.

Certain underutilized well stimulation equipment continues to be redeployed to Michigan, West Virginia, North Dakota and Wyoming. This redeployment will serve to expand the Company’s revenue base where demand for oil and natural gas well services is presently more robust.

Continuing to focus on internal efficiencies will help improve operating margins and maximize EBITDAS during the immediate period of constrained revenue. The Company’s United States market is anticipated to increase its activity levels over the balance of 2007 and into 2008. Leader’s operating diversity, with two operating centers in Alberta and in separate producing regions of the United States, reduces the Company’s exposure to any single market segment.

Leader Energy Services Ltd. provides well stimulation 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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