



LEADER ENERGY SERVICES ANNOUNCES YEAR END RESULTS

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April 9, 2008, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") today announced financial and operating performance for the three and twelve-month periods ended December 31, 2007.

Performance Summary (in '000s of dollars)

Years ended December 31,	2007	2006	Year over Year \$ Change	Year over Year % Change
Revenue	34,884	40,419	(5,535)	(14)%
Operating Expenses	35,608	28,552	7,056	25%
General and Administrative	8,724	8,651	73	1%
Provision for Bad Debts	92	223	(131)	(59)%
EBITDAS*	(9,540)	2,993	(12,533)	(419)%
Amortization	9,617	4,490	5,127	114%
Asset writedowns	29,356	-	29,356	N/A
Stock Compensation	954	1,141	(187)	(16)%
Interest	5,649	792	4,857	613%
Other	(716)	115	(831)	(723)%
Net (Loss) Income before Tax	(54,400)	(3,545)	(50,855)	(1,435)%
Provision for taxes	(573)	(480)	(93)	(19)%
Net (Loss) / Income	(53,827)	(3,065)	(50,762)	(1,656)%

* EBITDAS means 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

During the fourth quarter of 2007 Canadian revenue was lower than forecasted during the period, and was also lower than the corresponding quarter in 2006. The lower than forecast Canadian revenue occurred due to depressed demand for well stimulation and cementing services in western Canada 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 were lower than forecast due to slower than planned deployment of equipment from Canada to the United States as a result of capital constraints and a planned curtailment on Company-wide capital expenditures.

Leader ceased operation of its Canadian Cementing division during the fourth quarter of 2007. Operations associated with Leader's Canadian Coiled Tubing and Nitrogen Division, as well as Leader's United States activities, were not affected by the shutdown of the Canadian Cementing division. The Company's Canadian operations were consolidated during the fourth quarter and are now conducted from one location in Grande Prairie, Alberta.

Leader completed the sale of various Canadian assets during the fourth quarter of 2007 and subsequent to year end, and to date has received proceeds of approximately \$14.6 million from these sales. Proceeds from these asset dispositions were used to reduce the Company's outstanding indebtedness and for general working capital purposes. The Company realized a property and equipment write-down totalling \$8.8 million during the fourth quarter of 2007 and for the 2007 year recognized a property and equipment write down of \$20.2 million and an impairment of goodwill and intangible assets amounting to \$7.8 million.

The Company entered into a new financing arrangement during the fourth quarter, paying out its current debt facility. The new financing arrangement is structured as a demand loan and is secured by the Company's assets. This credit facility provides the Company with additional working capital as it works with its financial advisors to explore shareholder maximization alternatives.

Liquidity and Capital Resources

At December 31, 2007 the Company held cash and cash equivalents of \$3.3 million and had a working capital deficit of \$21.4 million. For the year ended December 31, 2007 cash flow from continuing operations was negative \$10.1 million, a decrease of \$10.6 million from the previous year. Lower than expected activity levels in Canada and the United States, combined with efforts to deploy a new cementing fleet significantly impacted the Company's ability to generate positive cash flow during 2007.

During the first quarter of 2007, the Company completed a \$15 million convertible debenture financing and also finalized a sale/leaseback transaction for its Canadian operating facilities that generated gross proceeds of \$19.6 million. The Company also repaid its demand non-revolving loan of \$7,500,000 in full during the first quarter of the year, with this facility expiring on April 6, 2007.

During the fourth quarter of 2007, the Company's 364 day committed revolving facility bearing interest at 0.75% above prime was repaid in full. This facility was replaced by a demand asset secured credit facility agreement on December 14, 2007, bearing interest of 2% per month, or 26.24% on an annualized basis, with a maximum balance of \$25,500,000. The Company is currently fully drawn on its asset secured facility, and has access to an additional \$2 million in factoring under this facility. The Company will continue to attempt to identify potential sources of additional and lower cost capital whenever possible.

The Company is dependent on access to equity or debt financing to fund operating and capital needs when operating cash flows are not sufficient. Continued working capital needs that cannot be funded by operating cash flows will require outside financing, the availability of which is dependent on economic factors such as interest rates, investor and creditor confidence, and industry profitability. The Company may find it necessary in the future to obtain additional debt or equity financing to support ongoing operations, to undertake capital expenditures or to complete other transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms acceptable to the Company. Should the Company be unable to access additional financing should it be determined that additional financing is required, this could have a material adverse impact on the Company.

Outlook

Leader's operational outlook for 2008 is for an improvement over the service industry conditions that existed during 2007. Over the past few quarters our Company has seen considerable change. The long-term fundamental view for natural gas and oil has improved and the recent upsurge in commodity prices provides cautious optimism for increased activity levels throughout 2008. While this optimism provides good impetus for recovery, management will continue to focus on operating Leader as efficiently as possible and strengthening its financial position.

A number of significant challenges and uncertainties were faced by, and continue to be faced by, all western Canadian-based energy service companies including a new set of pending resource royalties, turbulent global credit markets, severe fluctuations in commodity prices and the consequential uncertainty in customers' budgets. Each of these elements impacted Leader during 2007. The result of the continuing impact of these challenges is difficult to forecast, however long-term fundamentals for the oil and gas service sector continue to remain positive.

One of Leader's focuses during 2008 will be to achieve further operational efficiencies while increasing revenue. However the Company's key challenge will be to address and rectify its current financial constraints. Leader has undertaken and will continue to undertake the following initiatives in this respect:

- Reducing internal costs wherever possible;
- Closely monitoring and minimizing capital expenditures;
- Restructuring debt facilities and reducing debt levels through asset sales; and
- Concluding its strategic review process.

Continuing to focus on internal efficiencies will help improve operating margins and maximize EBITDAS. Leader is committed to the further expansion of its customer base in Canada and the US and strives to provide excellent customer service. Management believes that by focusing on improving operational efficiencies and restructuring its balance sheet wherever possible, it will be able to increase shareholder value. The intent of the strategic review process is to explore a range of alternatives that have the potential to enhance value for the shareholders of the Company. Potential strategic alternatives could include, for example, a business combination with another company, a financing or some variation thereof.

The board of directors of Leader Energy Services, and its management team are thankful of the efforts given by all of the Company's employees. We look forward to reporting on our progress during the coming year.

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 and on the Company's website at www.leaderenergy.com.

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