



LEADER ENERGY SERVICES ANNOUNCES FIRST QUARTER RESULTS

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May 30, 2008, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") today announced financial and operating performance for the three-month period ended March 31, 2008.

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

Quarters ended March 31,	2008	2007	\$ Change	% Change
Revenue	\$9,242	\$11,759	\$(2,517)	(21)
Operating	6,559	11,161	(4,602)	(41)
General and Administrative	1,768	2,227	(459)	(21)
EBITDAS*	915	(1,629)	2,544	156
Amortization	1,804	2,353	(549)	(23)
Stock Compensation	262	300	(38)	(13)
Interest	2,636	1,055	1,581	150
Other	100	(15)	115	767
Net (Loss) Income before Tax	(3,887)	(5,322)	1,435	27
Provision for tax expense (recovery)	(40)	(1,728)	1,688	98
Net (Loss) / Income	(3,847)	(3,594)	(253)	(7)

* 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

Headquartered out of Calgary, Alberta, Leader Energy Services Ltd.'s ("Leader" or the "Company") Canadian operations are managed from its operations based in Grande Prairie, Alberta. From this base the Company offers well stimulation services across the Western Canadian Sedimentary Basin. Services provided in the United States, which are comparable to the services provided in Canada, are conducted from bases in Jane Lew, West Virginia, Mt. Pleasant, Michigan, and Minot, North Dakota.

Although the Company experienced a 21% decrease in total revenue to \$9.2 million for the first quarter of 2008 relative to the same period last year, Leader achieved a 156% improvement in EBITDAS to \$0.9 million. The \$2.5 million improvement in EBITDAS was as a result of the divestiture of Canadian cementing operations which had resulted in a significant depletion of financial resources, higher revenue from US based operations, stable revenue per job performed in Canada, and efficiencies realized in general and administrative expenses. The loss before income taxes showed an improvement of 27% to (\$3.9) million. Interest expense increased 150%, or \$1.6 million, for the comparative 2007 quarter with the Company continuing to actively work towards reducing this expense.

Overview (continued)

The Company's financial statements have been prepared on a going concern basis which contemplates the realization of assets and settlement of liabilities in the normal course of operations. As such, no adjustments have been made to the carrying values or classification of assets and liabilities that may be necessary if the Company was unable to continue as a going concern. As at March 31, 2008 the Company had a significant working capital deficit due to its assets secured facility (see discussion under Liquidity and Capital Resources) which is a demand facility and therefore classified as a current liability. The Company also reported a net loss of \$3.8 million for the three months ended March 31, 2008, and had a negative cash flow from operations for the same period of \$4.3 million. The ability of the Company to refinance or extend the maturity of its credit facility and generate positive cash flow is necessary for the Company to continue its operations.

Amortization, Stock Compensation and Interest Expense

The Company's amortization expense decreased by \$549,000, or 23.3% in the first quarter of 2008 over 2007 as the Company's property and equipment base decreased substantially during the quarter compared to the same period ended March 31, 2007. Stock compensation expense decreased by \$38,000, or 13% due to the expiration of stock options period over period. Interest expense rose to \$2.6 million as the Company's increased cost borrowing resulted in an increase in interest expense.

Income Taxes

As a result of the Company reporting losses in the 2007 first quarter, the Company recorded a tax recovery of \$1.7 million. Due to uncertainty with respect to the recoverability of non-capital loss carry forward amounts, the Company is no longer recognizes future tax recoveries from its Canadian operations. Therefore, the tax recovery recognized for accounting purposes has decreased to \$40,000 which relates to U.S. operations.

Liquidity and Capital Resources

During the first quarter of 2008, the Company continued to operate within the terms and conditions of the asset secured lending facility that it entered into during the fourth quarter of 2007. As at March 31, 2008, the Company had drawn approximately \$24.6 million of its \$25.5 million facility, and had a working capital deficit of \$22.3 million, relative to a working capital deficiency of \$21.3 million at December 31, 2007.

Subsequent to the end of the first quarter of 2008, the Company entered into a factoring facility with of its asset secured credit facility lender. The facility has a limit of \$8,500,000, and is to be secured by related accounts receivable. The Company also amended its credit facility, such that the outstanding amounts of the asset secured demand credit facility and the factoring facility combined may not exceed \$25,500,000.

Outlook

Leader's operational outlook for 2008 continues to be one of improved conditions over those that existed in 2007. The long term view for natural gas and oil prices has improved considerable over 2007 which has provided a degree of optimism with respect to improved activity levels in the oil and gas service sector in 2008.

As indicated in our 2007 year end report to shareholders and the Management's Discussion and Analysis for that year end, a number of significant challenges face the Company including present debt levels, the uncertainty in credit markets and the new royalty regime implemented by the Alberta government. While these conditions continue to exist, the upsurge in commodity prices is anticipated to translate into improving oil and gas service sector activity levels throughout 2008. Although Canadian oilfield service activity levels are improving, Leader will continue its efforts to maximize shareholder value through improved efficiencies in its Canadian and US operations and reduction of outstanding debt facilities. Leader is confident in its operational abilities and in the long-term outlook for our industry. Leader's future success is contingent upon continued effective execution at the field level and the reduction of the Company's cost of debt.

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.

For further information contact:

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

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

Don Baird, CA
Chief Financial Officer
T: (403) 265-5400
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.