LEADER ENERGY SERVICES ANNOUNCES THIRD QUARTER RESULTS

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November 25, 2008, 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, 2008.

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

Quarter ended,	**September 30, 2008**	September 30, 2007	$ Change	% Change
Revenue – continuing operations	**$4,505**	$7,571	(3,066)	(40)
Operating expenses – continuing operations	**3,160**	6,967	(3,807)	(55)
G&A – continuing operations	**1,141**	1,697	(556)	(33)
EBITDAS from continuing operations*	**204**	(1,093)	1,297	119
Amortization – continuing operations	**756**	2,114	(1,358)	(64)
Stock Compensation – continuing operations	**2**	258	(256)	(99)
Interest – continuing operations	**1,881**	1,382	499	36
Other – continuing operations	**(33)**	12,840	(12,873)	(100)
Net loss before tax – continuing operations	**(2,402)**	(17,687)	15,285	86
Provision for tax expense– continuing operations	**-**	-	-	-
Net loss – continuing operations	**(2,402)**	(17,687)	15,285	86
Net income – discontinued operations	**1,315**	(7,261)	8,576	118
Net loss	**(1,087)**	(24,948)	23,861	95

Nine months ended,	**September 30, 2008**	September 30, 2007	$ Change	% Change
Revenue – continuing operations	**$12,124**	$20,836	(8,712)	(42)
Operating expenses – continuing operations	**9,860**	21,981	(12,121)	(55)
G&A – continuing operations	**3,366**	5,188	(1,822)	(35)
EBITDAS from continuing operations*	**(1,102)**	(6,333)	5,231	83
Amortization – continuing operations	**3,522**	6,085	(2,563)	(42)
Stock Compensation – continuing operations	**389**	820	(431)	(53)
Interest – continuing operations	**7,444**	3,757	3,687	98
Other – continuing operations	**210**	12,770	(12,560)	(98)
Net (loss) income before Tax – continuing operations	**(12,667)**	(29,765)	17,098	57
Provision for tax expense (recovery) – continuing operations	**-**	(916)	916	100
Net loss – continuing operations	**(12,667)**	(28,849)	16,182	56
Net income (loss) discontinued operation	**1,329**	(8,011)	9,340	117
Net loss	**(11,338)**	(36,860)	25,522	69

* 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") operations are managed from its operations base in Grande Prairie, Alberta. From this base the Company offers well stimulation services across the Western Canadian Sedimentary Basin.

Although commodity prices were relatively strong during the first half of the year, industry activity levels continued to decline as commodity prices softened during the third quarter. Petroleum explorers continued to shift drilling activity out of Alberta to other regions of the WCSB due to unfavorable economic implications associated with the changes to the royalty system in Alberta. Over the past 18 months the price of natural gas was, at various times, lower than required in order for drilling of wells to be economically viable.

Although the Company experienced a 40% decrease in total revenue to $4.5 million for the third quarter of 2008 relative to the same period last year, Leader achieved a 119% improvement in earnings before interest, taxes, depreciation, and stock based compensation ("EBITDAS") from continuing operations to $204,000. Approximately half of the quarterly reduction in revenue was a result of the sale of the Company's US operations. The $1.3 million improvement in EBITDAS relative to the comparable quarter last year was a result of the divestiture of unprofitable Canadian cementing operations in the third quarter of 2007 and efficiencies realized in operational and general and administrative expenses. The loss before income taxes showed an improvement of 86% to ($2.4) million. Interest expense increased 36%, or $499,000 as compared to comparative 2007 quarter as a result of the increased cost of debt incurred by the Company since that latter part of 2007. Interest expense on an ongoing basis is expected to be significantly reduced with the Company having paid out its credit facility in July of 2008.

On July 22, 2008, the Company completed a transaction with Key Energy Pressure Pumping Services, LLC, a wholly owned subsidiary of Key Energy Services, Inc. ("Key"), whereby the Company's operating assets in the United States were sold to Key Energy. Completion of this transaction enabled the Company to repay its secured demand credit facility in its entirety.

Results of Continuing Operations

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

Quarter ended,	**September 30, 2008**	September 30, 2007	Change	% Change
Revenue	**$4,505**	$4,766	(261)	(5)
Operating	**3,160**	3,256	(96)	(3)
Field profit (loss)	**1,345**	1,510	(165)	(11)
Number of operating days	**336**	409	(73)	(18)
Average revenue per day	**13,408**	11,653	1,755	15

Nine months ended,	**September 30, 2008**	September 30, 2007	$ Change	% Change
Revenue	**$12,124**	$13,499	(1,375)	(10)
Operating	**9,860**	11,924	(2,064)	(17)
Field profit	**2,264**	1,575	689	44
Number of operating days	**1,027**	1,172	145	(12)
Average revenue per day	**11,805**	11,518	287	2

* Field profit is a measure not recognized under Canadian GAAP. Management believes that field profit 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.

Revenues decreased 5% over the comparable 2007 third quarter to $4.5 million with activity levels achieved in the third quarter of 2008 being reduced due to poor weather conditions.

With continuing cost efficiencies, operating expenses decreased by 3% in the third quarter of 2008 as compared to 2007, declining from $3.3 million to $3.2 million. The Company continues to look for cost efficiencies and will be diligent in cost reduction efforts.

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

Quarter ended	**September 30, 2008**	September 30, 2007	$ Change	% Change
General & Administrative	**1,141**	2,153	(1,012)	(47)%

Nine months ended,	**September 30, 2008**	September 30, 2007	$ Change	% Change
General & Administrative	**3,366**	6,185	(2,819)	(46)%

General and administrative expenses consist primarily of costs relating to staffing and shared corporate services. During the quarter, average staff levels within the general and administration group dropped substantially as compared to the 2007 second quarter as a result of the Company discontinuing its cementing operations in the latter part of 2007 and reducing overall staff levels at corporate head office.

Amortization, Stock Compensation and Interest Expense – continuing operations

The Company's amortization expense decreased by $1,358,000, or 64% in the third quarter of 2008 over 2007 as the Company's property and equipment base decreased substantially during the quarter compared to the same period ended June 30, 2007 due to the sale of US assets to Key Energy and the disposition of cementing and certain other assets. Stock compensation expense decreased by $256,000, or 99%, due to the expiration and cancellation of stock options period over period. Interest expense decreased to $1.9 million due to the Company's payout of its credit facility.

Liquidity and Capital Resources

On July 22, 2008, subsequent to the end of the 2008 second quarter, the Company completed a transaction with Key Energy Pressure Pumping Services, LLC, a wholly-owned subsidiary of Key Energy Services, Inc. ("Key"), whereby the Company's operating assets in the United States were sold to Key Energy. Completion of this transaction enabled the Company to repay its secured demand credit facility in its entirety. The Company intends to identify and secure a lower cost credit facility in the near future. Certain taxes will be payable as a result of this transaction. These taxes have been estimated and recorded in the financial statements.

During August 2008, the Company was released from its sale-leaseback commitment with respect to its Red Deer, Alberta, facility. The lease was to run through December 31, 2026 with annual base rent payments of approximately $864,000 escalating to higher base rent levels in years 6, 11 and 16 of the lease, plus additional facility costs for items such as utilities, insurance and taxes. The retirement of the related capital leases, less closing costs, approximates the net book value of the capital assets, and therefore no gain or loss has been recorded due to this transaction. Savings resulting from the elimination of base and additional rent costs for the Red Deer facility will be used for general working capital purposes.

Investing Activities

Total assets declined by $46.7 million from December 31, 2007 to September 30, 2008. The majority of this decline in assets is attributable to a $33.1 million decrease due to the sale of the Company's United States operations, a $5.0 million decrease due to the sale of other assets during the year, a $7.2 million decrease due to the release of the Company from its sale leaseback commitment in Red Deer, Alberta, and ongoing amortization of assets.

Outlook

Global financial and economic turmoil has added to near-term uncertainty for commodity prices. Weaker commodity prices have, however, been buffered to a large extent by the devaluation of the Canadian dollar relative to the US dollar. Continuing credit market instability will adversely affect the energy industry during 2009.

With the reduction of Leader's debt levels during the third quarter, the Company's financial condition has improved. Leader has been fortunate to retain a loyal client base and high-calibre field and office staff during its financial restructuring.

Short-term fluctuations in commodity prices have increased the uncertainty concerning oilfield activity levels. Additionally, recent concerns around the prospects of global economic recession and its consequential effect on overall demand for energy supplies, and the ongoing impact of the new royalty regime that will be implemented by the Alberta government at the start of 2009.

Leader's future success is contingent upon continued effective execution at the field level and achieving positive operational cash flows.

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