



LEADER ENERGY SERVICES COMPLETES US ASSET SALE; PAYS OUT CREDIT FACILITY

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July 22, 2008, Calgary, Alberta (TSX Venture: LEE) – Leader Energy Services Ltd. ("Leader" or the "Company") today announced Key Energy Pressure Pumping Services, LLC, a wholly-owned subsidiary of Key Energy Services, Inc. ("Key") has purchased the assets, properties and rights of Leader's coiled tubing, cementing, and acidizing services involved in the Company's United States operations. Key has paid cash consideration of approximately US\$34,600,000, less a US\$1,000,000 hold back and before proceeds from the sale of inventory that will approximate US\$950,000.

Proceeds from this agreement will be used to pay out the Company's current credit facility debt, pay out all vehicle lease obligations, fund working capital requirements and create a small capital expenditure budget to increase the Company's fleet of nitrogen and coiled tubing equipment in the Western Canadian Sedimentary Basin. The Company anticipates saving more than \$6 million in annual interest charges by eliminating its current credit facility debt. Canaccord Capital Corporation acted as financial advisor to the Company in this transaction.

Leader Energy Services Ltd. provides well stimulation services in western Canada. 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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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.