



LEADER ENERGY SERVICES ANNOUNCES THIRD QUARTER RESULTS

November 19, 2009, Calgary, Alberta (TSX Venture: LEA) – Leader Energy Services Ltd. ("Leader" or the "Company") today announced financial and operating results for the three and nine month periods ended September 30, 2009.

Performance Summary (in '000s of dollars)

Quarter ended,	September 30, 2009	September 30, 2008	\$ Change	% Change
Revenue – continuing operations	\$ 1,786	\$ 4,505	(2,719)	(60)
Operating expenses – continuing operations	1,568	3,160	(1,592)	(50)
G&A – continuing operations	840	1,141	(301)	(26)
E(L)BITDAS from continuing operations	(622)	204	(826)	(405)
Amortization – continuing operations	571	756	(185)	(24)
Stock Compensation – continuing operations	-	2	(2)	(100)
Interest – continuing operations	807	1,881	(1,074)	(57)
Other – continuing operations	454	(33)	292	885
Net (loss) income before Tax – continuing operations	(2,454)	(2,402)	143	6
Provision for tax expense (recovery) – continuing operations	-	-	-	-
Net loss – continuing operations	(2,454)	(2,402)	143	6
Net income – discontinued operations	1,663	1,315	348	26
Net loss	(791)	(1,087)	491	45

Nine months ended,	September 30, 2009	September 30, 2008	\$ Change	% Change
Revenue – continuing operations	\$ 9,287	\$ 12,124	(2,837)	(23)
Operating expenses – continuing operations	6,631	9,860	(3,229)	(33)
G&A – continuing operations	2,372	3,366	(994)	(30)
E(L)BITDAS from continuing operations*	284	(1,102)	1,386	126
Amortization – continuing operations	1,693	3,522	(1,829)	(52)
Stock Compensation – continuing operations	-	389	(389)	(100)
Interest – continuing operations	2,425	7,444	(5,019)	(67)
Other – continuing operations	610	210	205	98
Net (loss) income before Tax – continuing operations	(4,444)	(12,667)	8,418	(66)
Provision for tax expense (recovery) – continuing operations	-	-	-	-
Net loss – continuing operations	(4,444)	(12,667)	8,418	(66)
Net income (loss) discontinued operation	2,088	1,329	759	57
Net loss	(2,356)	(11,338)	9,177	81

* E(L)BITDAS is defined herein as earnings(loss) from continuing operations before Interest, Taxes, Amortization, Stock Based Compensation and Bad Debt Expense. Readers are cautioned that E(L)BITDAS 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. E(L)BITDAS 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 operations are managed from its base in Grande Prairie, Alberta. From this base the Company offers well stimulation services across the Western Canadian Sedimentary Basin ("WCSB").

As expected Western Canadian oil and gas activity levels have remained at dramatically lower utilization rates relative to the preceding year due to low natural gas prices, high natural gas storage levels, the impact of the new royalty regime introduced by the Alberta government at the start of 2009, and the effect of the global credit crisis on our customers' abilities to raise capital. However we are seeing the first signs that the industry is stabilizing. Oil prices have continued to strengthen, gas prices are anticipated to improve with the onset of the winter season and there are further indications that capital markets are moving towards more normal activity levels. Certain customers have been able to raise capital, some of which is expected to be spent on oilfield services.

2009 third quarter revenues were lower than forecast. For the quarter ended September 30, 2009 the Company recorded a loss from continuing operations before interest, taxes, amortization, stock based compensation and bad debt expense ("LBITDAS") of \$622,000 and a net loss of \$791,000 as compared to earnings from continuing operations before interest, taxes, amortization, stock based compensation and bad debt expense ("EBITDAS") of \$204,000 and a net loss of \$1.1 million in the prior year third quarter. The LBITDAS in the current year third quarter versus the EBITDAS amount of the prior year third quarter is due to lower activity levels in the current year third quarter which had a significantly negative impact on revenues. Lower revenues in the current year third quarter were partially offset by cost savings realized in the general and administrative area.

The net loss of \$791,000 for the current period was an improvement over the prior year's third quarter net loss of \$1.1 million. This improvement was due to current year third quarter interest charges and amortization declining from the prior year period with the Company's sale of its United States based assets and subsequent pay down of its credit facility in July 2008 with proceeds from that asset sale. Net income from discontinued operations was also higher in the current year third quarter with recent information resulting in a partial reversal of estimated tax expense accruals made in prior periods.

With lower than forecast activity levels, cash flow from continuing operating activities before changes in non-working capital balances was negative \$1.3 million in the 2009 third quarter. This was a slight increase from the prior year's third quarter cash flow from continuing operations of negative \$1.0 million. Management is continuing to take all action possible to further increase its revenues while minimizing or reducing its administrative overhead costs and its related operational costs.

Effective September 30, 2009, the Company entered into a Supplemental Indenture with holders of its \$15.0 million Unsecured Convertible Debentures issued on February 27, 2007 and scheduled to mature on March 31, 2012 (the "Debentures"). The Supplemental Indenture provides that the conversion rate of the Debentures shall be adjusted from \$4.80 per common share to \$0.40 per common share for the Debenture holders who provide the Company with a deferral of interest payments due in the amount of \$750,000 on each of September 30, 2009 and March 31, 2010. The interest deferrals will be in effect until the Debenture's March 31, 2012 maturity date at which time all such interest shall be paid in cash, together with interest on the deferred interest due at 10.0% per annum. All holders of the Debentures provided the Company with deferrals of interest payments due September 30, 2009 and March 31, 2010.

As a result of the amendment to the Debenture's terms and conversion rate, the Company has recognized \$195,000 as a loss on modification of the debenture's liability component in the Consolidated Statements of Operations and \$1,197,000 has been recorded to deficit for the fair value of the equity component.

The Company has yet to secure a credit facility to replace the facility which was paid out in mid 2008. Based on the Company's internal operating cash forecast, if the assumptions in the forecast hold true, access to additional financing does not appear to be necessary. However, given the uncertainty present in the current economic climate (see discussion under Financial Instruments and Business Risks) the

Company will continue to pursue possible credit facility opportunities and hopes to secure a credit facility in the near future.

While management believes that its estimates have been reasonable in the circumstances, the global credit market crisis, volatility in the price of oil and natural gas, global recession and corresponding slowdown or contraction of economic growth in the rest of the world has created a substantially more volatile business environment. These conditions will limit certain of the Company's previously planned business activities and will continue to provide risk for the Company's future. To prepare the consolidated financial statements, management has recorded adjustments and included disclosures based on their best estimates of projected business activity and future cash flows.

Further information 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.