

June 19, 2008

**SHAWCOR LTD.
(TSX: SCL.A, SCL.B)**

PRESS RELEASE

**SHAWCOR ANNOUNCES CONTRACT TO PROVIDE
PIPE COATING SERVICES FOR VEGA PROJECT**

ShawCor Ltd. (TSX: SCL.A, SCL.B) today announced its subsidiary, Bredero Shaw, has received a contract with a value in excess of \$30 million from Subsea 7 to provide Thermotite® coatings for StatoilHydro's Vega offshore project in the North Sea. The contract has been awarded to Bredero Shaw Norway AS and the project will be executed at its coating facility in Orkanger, where the patented Thermotite® polypropylene insulation coating system for offshore flow assurance was developed.

This project is the largest contract, by value, that Bredero Shaw Norway's Orkanger plant has ever undertaken. The coating work will run for a four month period from September 2008 to January 2009. The Vega field will be tied-back to the Gjøa production platform by a single carbon steel flowline entailing coating of 27 km 14" ID pipe and 24 km 12" ID pipe. The Vega field is located in water depths from 365 to 380 metres, approximately 10-30 km north-north west of the Fram fields.

To facilitate a project specific requirement, a new ID blasting facility will be installed at Orkanger capable of handling pipes from 6" to 20". This equipment will ensure that the inside of the pipe is thoroughly cleaned. The ID blasting will be conducted prior to the application of the external Thermal Insulation coating.

Thermotite® is multi-layer polypropylene-based insulation coating which is customisable and manufactured in a wide range of thicknesses and layers to meet specific performance and subsea installation requirements for both shallow and deepwater insulation systems.

ShawCor Ltd is an energy services company specialising in products and services for the pipeline and pipe services and the petrochemical and industrial segments of the oil and gas industry. The company operates through six divisions with over sixty manufacturing and service facilities located around the world.

Bredero Shaw, ShawCor's largest division, is the global leader in pipe coating solutions. The division provides specialized coating systems and related services for corrosion protection, insulation and weight coating applications on land and marine pipelines including highly engineered corrosion and insulation systems for deepwater applications.

This news release contains forward-looking information within the meaning of applicable securities laws. Words such as “may”, “will”, “should”, “anticipate”, “plan”, “expect”, “believe”, “predict”, “estimate” or similar terminology are used to identify forward-looking information. This forward-looking information is based on assumptions, estimates and analysis made in the light of the company’s experience and its perception of trends, current conditions and expected developments, as well as other factors that are believed by the company to be reasonable and relevant in the circumstances. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from those predicted, expressed or implied by the forward-looking information. The risks and uncertainties include, among other things, changes in global economic activity and changes in energy supply and demand which impact on the level of drilling activity and pipeline construction; political, economic and other risks arising from international operations; compliance with environmental, trade and other laws; liability claims; fluctuations in foreign exchange rates and fluctuations in raw material prices, as well as other risks and uncertainties that are more fully described in the company’s Annual Information Form, annual and quarterly reports and in other reports and filings made with securities regulatory authorities and available at www.sedar.com.

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