

January 15, 2007

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

PRESS RELEASE

**SHAWCOR LTD. ANNOUNCES \$8.2 MILLION PIPE COATING CAPACITY
ADDITION IN CAMROSE, ALBERTA**

SHAWCOR LTD. (TSX: SCL.A, SCL.B) today announced that its subsidiary, Shaw Pipe Protection Limited, will invest \$8.2 million in additional FBE pipe coating capacity for the Western Canadian Sedimentary Basin (WCSB).

This additional coating capacity will be added to Shaw Pipe Protection's new, state-of-the-art pipe coating facility currently under construction as part of a previously announced \$30 million expansion program. The new production line will provide advanced FBE technology for small and large diameter pipe and will be in-service by the end of the third quarter of 2007.

Shaw Pipe Protection operates a network of five advanced pipe coating facilities that service the needs of the WCSB and has an extensive track record of providing North American customers with the highest levels of quality, service, capacity and safety. This expansion will ensure that these levels of service are maintained.

ShawCor Ltd. is a growth-oriented, global energy services company that operates through six divisions which focus on technology-based products and services for the pipeline and pipe services and the petrochemical and industrial markets with manufacturing and service facilities located in over twenty countries around the world. Shaw Pipe Protection is part of Bredero Shaw, ShawCor's largest division. Bredero Shaw is the global leader in pipe coating solutions and employs approximately 4,000 permanent and contract personnel located at offices and facilities in fifteen countries. 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 new release contains forward-looking information within the meaning of applicable securities laws. Words such as "may", "will", "should", "anticipate", "plan", "expect", "believe", "predict", "estimate", and similar terminology are used to identify forward-looking information. This forward looking information is based on assumptions, estimates and analysis made in 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 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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