

**Specialist Energy Group plc
("Specialist Energy Group", the "Group" or the "Company")**

24th August 2010

Hayward Tyler – Contract update

Further to the trading update of 8 July 2010, the Directors of Specialist Energy Group plc (AIM: SEGR.L), the niche engineering and manufacturing group are pleased to announce the signing of a new contract in China for its wholly owned subsidiary Hayward Tyler Group Ltd ("Hayward Tyler").

The latest order is for the delivery of 2 new 520kW Glandless Motor Pumps for use in a conventional power station in Shentou, Shanxi Province, China. The Hayward Tyler pumps will be used in two 600MW Advanced Supercritical Once-Through ("ASOT") boilers which achieve a significant reduction in CO₂ emissions when compared to traditional coal powered stations. The Company now has over 500 installed pumps in China and the Far East which are serviced via its local service facility in Kunshan, near Shanghai.

Meanwhile in the USA, further to the announcement of 8 July 2010 in which the Company announced the delivery of synthetic gasification ("Syngas") cooler pumps for use in one of the largest Syngas projects in the world, the Directors are pleased to now announce the successful completion of this £2.5m contract.

The contract, a first in the area of synthetic gasification for Hayward Tyler, signifies an important step for Hayward Tyler as it looks to position itself at the forefront of upgrading clean coal power plants through the use of its technology within Integrated Gasification Combined Cycle Power Plants ("IGCC").

Using the IGCC technology, coal is converted into synthetic gas, which is then processed to remove sulphur, mercury, ash and carbon dioxide. The gas then goes to a traditional combined cycle power plant using a combustion and steam turbine to efficiently produce electricity.

Ewan Lloyd-Baker, Chief Executive Officer of SEG plc, commented:

"As an export-led business heavily focussed on the energy sector, it is critical that our technology is at the forefront of the clean energy drive – whether it be improving the efficiency of traditional coal based energy production or being a part of new initiatives. We are delighted that our activities in the US and the Far East reflect both of these aspects."

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