

NEWS RELEASE

Stock Symbol: SGF: TSX

June 16, 2009

Saskatoon, Saskatchewan

**FORT A LA CORNE JOINT VENTURE: ORION NORTH K147 AND K148
LARGE DIAMETER DRILLING DIAMOND GRADE RESULTS**

George H. Read, P. Geo., Senior Vice President Exploration and Development, is pleased to announce the diamond grade results for the large diameter drilling (“LDD”) mini-bulk sampling of the K147 and K148 portions of the Orion North Kimberlite (“ON-K147/K148”) within the Fort a la Corne Joint Venture (“FALC-JV”: 60 percent Shore Gold Inc. (“Shore”) and 40 percent Newmont Mining Corporation of Canada Limited (“Newmont”). The relative positions of ON-K147 and ON-K148 and drill hole locations are illustrated on a map available on the Company website: www.shoregold.com. The results for each principal kimberlite unit sampled by the LDD mini-bulk sampling are shown in Table 1.

Table 1 ON-K147 and ON-K148 Diamond Results from LDD Mini-bulk Samples

Kimberlite Unit	Number of Holes	Kimberlite Metres	Processed Dry Tonnes	Total Carats	Total Stones	Grade (cpht)	Largest Stone (Carats)
147 EJF Inner	2	247	247	30	315	12	1.88
147 EJF Outer	4	467	527	41	571	8	2.86
148 EJF Inner	5	606	841	65	605	8	6.89
148 EJF Outer	4	495	669	35	469	5	1.62
Total		1,815	2,284	171	1,960	8	

Table Notes

- Kimberlite Units: EJF: Early Joli Fou and LJF: Late Joli Fou
- EJF Inner and Outer based on geology and discussed below
- Diamonds reported with a 1.18 millimetre square mesh screen bottom cut-off
- Grade is calculated as Total Carats divided by Processed Dry Tonnes

The ON-K147 and K148 Kimberlites together form one of the largest diamond bearing kimberlites in the world, with a combined surface area totaling some 394 hectares situated within claims of the FALC-JV. The largest operating diamond mine is Orapa in Botswana and the mined AK1 kimberlite has an area 103 hectares. A resource estimate has not yet been determined for the ON-K147/K148 Kimberlites but kimberlite tonnage estimates, which are conceptual in nature, were published in SGF News Releases of November 21 and 24, 2006. No underground bulk sampling has been undertaken to date in Orion North.

It is Shore’s assertion that diamond loss and diamond breakage occur (particularly of the large stones) in the case of the LDD mini-bulk samples. In addition, on-site testing has shown that diamond breakage increases as kimberlite competency (hardness) increases. Therefore, Shore believes both the diamond grade (“cpht” - calculated as Total Carats divided by Theoretical Tonnes) and average price (\$/carat) are underestimated for the LDD mini-bulk samples. Shore contends that the simplest method of diamond grade determination for the LDD mini-bulk samples, which accounts for diamond breakage and loss, is the use of the processed tonnes, as opposed to the theoretical tonnes (calculated from callipered hole volumes and density measurements). This has been confirmed to Shore’s satisfaction by the LDD diamond grade reconciliation with UG grade for the Star Kimberlite that was recently presented in SGF News Release of April 21, 2009. A more detailed discussion of these methods is available in the technical presentation “Large Diameter Drilling Grade Adjustment Factors for Resource Estimation in FALC Kimberlites”, which is available on the Company website at: www.shoregold.com.

The EJF Inner and Outer Kimberlite Units have been identified by Shore based on detailed kimberlite geology recorded from core logging of the pattern drill program and diamond size data derived from LDD. Core logging information is combined with whole rock geochemistry data, geophysical and density measurements to identify the constituent kimberlite lithologies within ON-K147 /K148 and their volcanological features that form the ON-K147/K148 Kimberlite crater. The

EJF Inner Kimberlite Unit represents coarser grained EJF kimberlite and the EJF Outer Kimberlite Unit includes finer grained EJF kimberlite. LDD mini-bulk samples have shown that higher grades and larger diamonds are found within the EJF Inner Kimberlite Unit.

Senior Vice President Exploration and Development, George Read, states: "This early summary of LDD results for the target EJF kimberlite units within ON-K147/K148 shows that large volumes of diamond bearing kimberlite exist within Orion North and that these units require more detailed evaluation. The presence of the 6.89 carat stone in this limited sampling exercise is a positive sign for the diamond size frequency distribution of ON-K147/K148."

LDD samples were processed through the on-site DMS plant and final diamond recovery was completed by SGS Lakefield on Flowsort X-ray and grease table concentrates.

Newmont did not participate in the preparation, supervision or review of the work associated with this exercise and takes no responsibility for the content or information included in this press release.

Senior Vice President Exploration and Development, George Read, Professional Geoscientist in the Provinces of Saskatchewan and British Columbia, is Shore's Qualified Person responsible for the verification and quality assurance of analytical results. Shore is a Canadian based corporation engaged in the acquisition, exploration and development of mineral properties. Shares of the Company trade on the TSX Exchange under the trading symbol "SGF".

Caution Regarding Forward-Looking Statements

From time to time, Shore makes written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the Ontario Securities Act and the United States Private Securities Litigation Reform Act of 1995. Shore may make such statements in this press release, in other filings with Canadian regulators or the United States Securities and Exchange Commission, in reports to shareholders or in other communications. These forward-looking statements include, among others, statements with respect to Shore's objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding Shore's future operations, future exploration and development activities or other development plans contain forward-looking statements.

All forward-looking statements and information are based on Shore's current beliefs as well as assumptions made by and information currently available to Shore concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration, development and mining activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

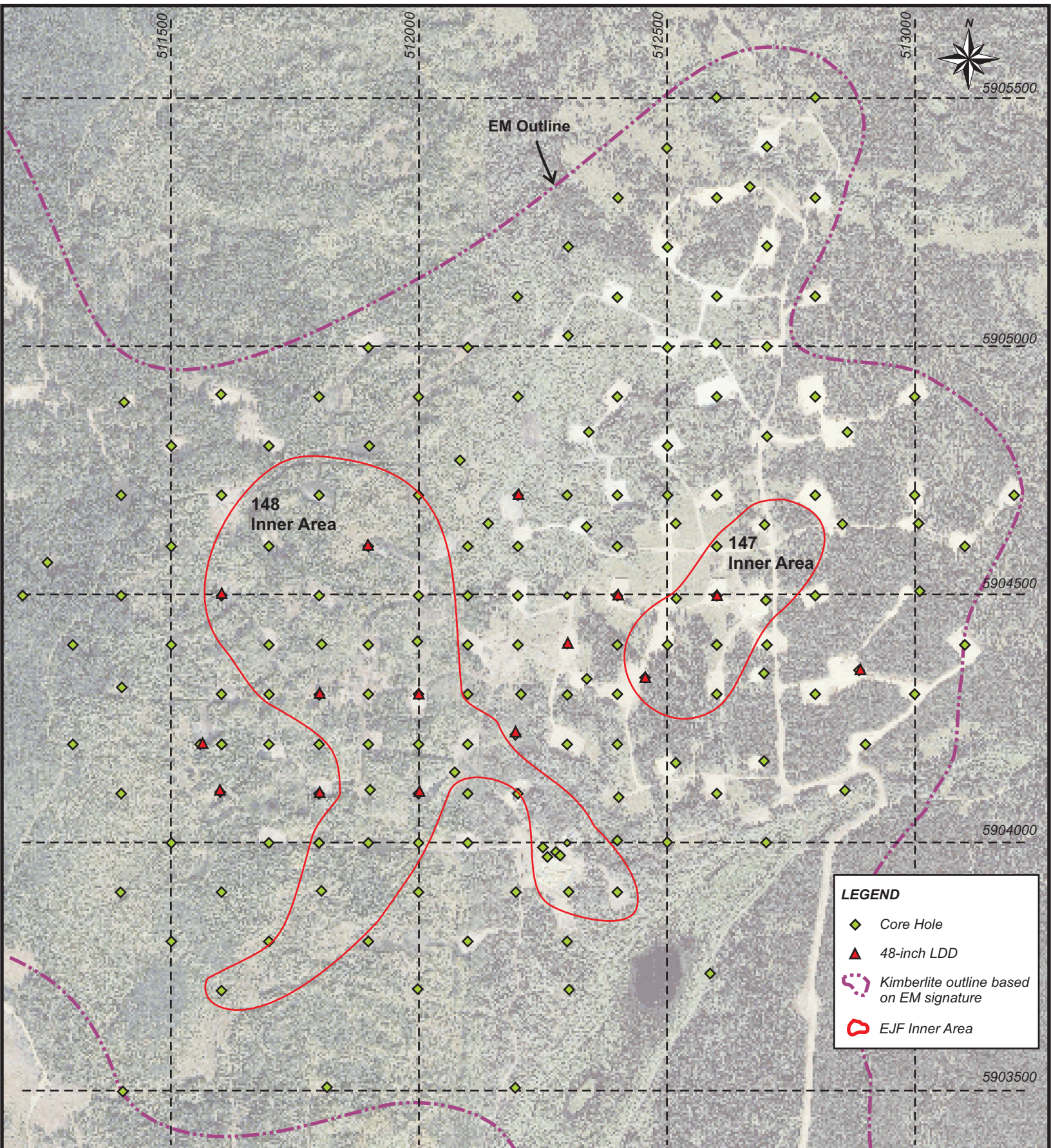
By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, developments in world diamond markets, changes in diamond valuations, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration, development or mining plans due to exploration results and changing budget priorities of Shore or its joint venture partners, the effects of competition in the markets in which Shore operates, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and the additional risks described in Shore's most recently filed Annual Information Form, annual and interim MD&A and short form prospectus, and Shore's anticipation of and success in managing the foregoing risks.

Shore cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to Shore, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise required by applicable securities legislation, Shore does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by Shore or on our behalf.

For further information please contact:

Joseph Dickson, Investor Relations Manager at (306) 667-3505 and www.shoregold.com

- END -



LEGEND

- ◆ Core Hole
- ▲ 48-inch LDD
- Kimberlite outline based on EM signature
- EJF Inner Area