



**Stock Symbol: SGF: TSX
SHORE GOLD INC.**

**August 13, 2008
Saskatoon, Saskatchewan**

SHORE GOLD INC. ANNOUNCES SECOND QUARTER RESULTS

Shore Gold Inc. (“Shore” or the “Company”) reports that the unaudited results of Shore’s operations for the quarter ended June 30, 2008 will be filed today on SEDAR and may be viewed at www.sedar.com once posted. A summary of key financial and operating results for the quarter is as follows:

Highlights

- Completion of the NI 43-101, risk adjusted, Mineral Resource estimate for the explored portion of the Star Kimberlite
- Commencement of drifting on the FALC-JV’s Orion South underground bulk sampling program
- Third set of diamond results from samples collected from the Orion South shaft released
- Expenditures of \$9.6 million on the Company’s share of the Fort à la Corne Joint Venture (“FALC-JV”) exploration program and \$1.4 million on the Star Diamond Project advanced exploration program
- Working capital of \$40.8 million at June 30, 2008
- Issued and outstanding shares of 183,234,242 at June 30, 2008

Overview

Star Diamond Project Advanced Exploration Program

In early June, the Company announced the completion of the NI 43-101, risk adjusted, Mineral Resource estimate for the explored portion of the Star Kimberlite (See SGF News Release June 9, 2008). The Mineral Resource estimate, as prepared by independent Qualified Persons from AMEC Americas Limited (“AMEC”), includes Indicated Resources of 122.7 million tonnes at a grade of 13.6 carats per hundred tonnes (“cpht”) for a total of approximately 17 million carats and Inferred Resources of 30.3 million tonnes at a grade of 13.1 cpht.

Shore commissioned the NI 43-101 Mineral Resource estimate for the Star and Star West properties pursuant to its obligation under NI 43-101 to prepare and file a Technical Report and as such, the Technical Report is the sole responsibility of Shore. The Technical Report can be viewed on the Company’s website (www.shoregold.com) or on SEDAR (www.sedar.com).

In addition to the Mineral Resource estimate determined by AMEC, a further 100 to 120 million tonnes of the Star Kimberlite is designated a ‘potential mineral deposit’, as detailed core logging, whole rock geochemistry, geophysical and density measurements confirm the geological continuity from the Inferred Resource into this part of the kimberlite, which is contained within the 276 million tonnes originally defined in the

geological model for the Star Kimberlite (See SGF News Release Oct 17, 2006). In order to bring certain of these tonnages into a resource category, the Company will need to perform additional LD drilling. The 100 to 120 million tonne potential mineral deposit is currently considered conceptual in nature and is not a resource estimate.

FALC-JV Exploration Programs

During the second quarter of 2008, the major activities on the FALC-JV Project were the completion of the shaft and commencement of lateral underground drifting on Orion South, LD drilling and sample processing.

The Orion South shaft was completed during the second quarter, to a depth of 211 metres below surface with a station established at the 186 metre level. The equipment required for lateral drift development has also been lowered down the shaft and assembled in the station. Lateral drift development is presently underway on headings to the south. Progress, however, has been slower than anticipated due to the ground conditions experienced. The intent of this shaft sinking and bulk sampling exercise is to recover substantial, representative diamond parcels from each of the predominant Orion South kimberlite lithologies (Early Joli Fou and Pense) for diamond grade and price determinations.

The third set of diamond results from the underground bulk sampling of Orion South was announced during the second quarter (See SGF News Release May 27, 2008). Total diamond recoveries were 136.68 carats from 3,466.73 dry tonnes processed. Ten diamonds greater than one carat were recovered and the four largest stones were: 2.59, 2.22, 1.63 and 1.19 carats, respectively. These underground bulk sampling diamond results were from samples collected from the Pense Kimberlite during the shaft sinking exercise (at depths from 148.6 metres to 185 metres) and the grades recovered are consistent with Shore's interpretation of the internal geology of Orion South. Existing LD drilling results suggest that the Pense Kimberlite will have a lower grade than the EJV but the EJV is the dominant lithology in Orion South, accounting for more than 60 percent of the total rock volume. The Company continues its underground program on Orion South. The Phase 1 LD drilling program on Orion South has been completed and the results are awaited.

Buffalo Hills

The Buffalo Hills Joint Venture participants are Shore (22.5 percent), Diamondex Resources Ltd. ("Diamondex") (22.5 percent), EnCana Corporation (43 percent) and Pure Diamonds Exploration Inc. (12 percent). Diamondex has been appointed operator of the Buffalo Hills Joint Venture. Shore and Diamondex have the option to increase their combined interest in the joint venture to 72.5 percent by funding the next \$15 million of exploration expenditures before April 30, 2010.

Following the review of historical geological data by a technical team from Shore and Diamondex, a 2008 exploration program and budget of \$7 million was determined of which Shore will fund \$3.5 million (See SGF News Release January 17, 2008).

A winter drill program was performed during the first quarter of 2008 on two (K14 and K252) of the six kimberlite bodies (K91, K225, K14, K252, K6 and K5) of the central corridor of the Buffalo Hills property slated for drilling during the year as part of the

approved 2008 exploration program. Drilling on the K6 body resumed in the second quarter following the spring thaw. Also during the second quarter Shore, on behalf of the joint venture, completed logging more than 2,000 metres of drill-core from the 2008 Buffalo Hills winter drilling program.

Quarterly Results

For the quarter ended June 30, 2008, the Company recorded a net loss of \$2.8 million or \$0.02 per share compared to net income of \$1.7 million or \$0.01 per share for the same period in 2007. The loss for the quarter ended June 30, 2008 was primarily due to the \$2.0 million impairment in fair value of third-party asset-backed commercial paper (“ABCP”) held by the Company that was recorded during the quarter. The Company also generated lower interest income for the second quarter of 2008 compared to the same period in 2007 as a result of having less cash on hand due to exploration expenditures incurred, the acquisition of a 22.5 percent interest in the Buffalo Hills Joint Venture, as well as the Company’s investment in ABCP being frozen since August of 2007. The net income for the second quarter of 2007 was primarily due to an income tax recovery as a result of the federal government enacting a reduction in corporate income tax rates during that period.

Year to Date Results

For the six-month period ended June 30, 2008, the Company recorded a net loss of \$5.0 million or \$0.03 per share compared to a net loss of \$2.5 million or \$0.01 per share for the same period in 2007. The loss during the first six months of 2008 was primarily due to the fair value of stock-based compensation that was expensed during the six-month period ended June 30, 2008 as well as the \$2.0 million impairment in fair value of ABCP held by the Company that was recorded during the second quarter of 2008. The Company also generated lower interest income for the six-month period of 2008 compared to the same period in 2007 which also contributed to the six month loss. The net loss for the six-month period ended June 30, 2007 would have been similar to the six-month period ended June 30, 2008 if it had not been for the income tax recovery of \$2.0 million in the second quarter of 2007 as a result of the federal government enacting a reduction in corporate income tax rates during that period.

Selected financial highlights include:

Consolidated Balance Sheets	As at June 30, 2008	As at Dec 31, 2007
Current assets	\$ 47.2 M	\$ 130.0 M
Capital and other assets	766.6 M	657.5 M
Current liabilities	6.4 M	11.9 M
Future income tax and other long-term liabilities	113.1 M	117.5 M
Share capital	760.9 M	733.5 M
Contributed surplus	25.5 M	19.2 M
Deficit	92.1 M	94.6 M

Consolidated Statements of Income	Three months Ended June 30, 2008	Three months Ended June 30, 2007	Six months Ended June 30, 2008	Six months Ended June 30, 2007
Interest and other income	\$ 0.3 M	\$ 1.2 M	\$ 1.0 M	\$ 2.5 M
Operating expenses	1.5 M	1.4 M	4.5 M	6.7 M
Loss for the period before other items	(1.2) M	(0.2) M	(3.5) M	(4.2) M
Loss from Wescan Goldfields Inc.	(0.1) M	(0.1) M	(0.1) M	(0.2) M
Impairment in fair value of ABCP	(2.0) M	- M	(2.0) M	- M
Income tax recovery	0.5 M	2.0 M	0.6 M	1.9 M
Net and comprehensive income (loss) for the period	(2.8) M	1.7 M	(5.0) M	(2.5) M
Income (loss) per share	(0.02)	0.01	(0.03)	(0.01)

Consolidated Statements of Cash Flows	Three months Ended June 30, 2008	Three months Ended June 30, 2007	Six months Ended June 30, 2008	Six months Ended June 30, 2007
Cash flows from operating activities	\$ (0.7) M	\$ 0.2 M	\$ (2.1) M	\$ 0.0 M
Cash flows from investing activities	(1.2) M	(45.1) M	(9.9) M	(37.7) M
Cash flows from financing activities	0.5 M	0.2 M	0.5 M	1.2 M
Net decrease in cash	(1.4) M	(44.7) M	(11.6) M	(36.5) M
Cash – beginning of period	21.7 M	72.9 M	31.8 M	64.7 M
Cash – end of period	20.3 M	28.2 M	20.3 M	28.2 M

Outlook

As of August 6, 2008, the Company had approximately \$36.2 million in cash and cash equivalents and short-term investments. These funds will be used to complete the advanced exploration program on the Star Kimberlite, to fund the Company's portion of the FALC-JV and the Buffalo Hills Joint Venture exploration programs and general corporate matters. Cash and cash equivalents and short-term investments may also be used to fund various other exploration activities as well as acquisition and exploration of additional properties (as opportunities warrant). The next phase of work on the Star Kimberlite currently under way is the determination of the project's viability under current economic conditions. This will primarily entail desk-top engineering studies and data analysis to convert the Mineral Resource to a Mineral Reserve and a feasibility study conforming to NI 43-101 and Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") standards. The FALC-JV has similar objectives; however, based on the stage of current exploration programs on the Orion Cluster, a Mineral Resource estimate is not anticipated for any of the FALC-JV's diamondiferous kimberlites until 2009.

Technical Information

All technical information in this press release has been prepared under the supervision of George Read, Senior Vice-President Exploration and Development, Professional Geoscientist in the Provinces of Saskatchewan and British Columbia, who is the Company's "Qualified Person" under the definition of NI 43-101.

Caution Regarding Forward-looking Information

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 press releases, 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 the anticipated results of Shore's advanced exploration study 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 laws, Shore does not undertake to update any written forward-looking statements that may be made from time to time by Shore or on our behalf.

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