



NEWS RELEASE

Stock Symbol: SGF: TSX

**November 12, 2014
Saskatoon, Saskatchewan**

SHORE GOLD INC. ANNOUNCES THIRD QUARTER RESULTS

Shore Gold Inc. (“Shore” or the “Company”) reports that the unaudited results of Shore’s operations for the quarter ended September 30, 2014 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

- Announced the submission of the Final Environmental Impact Statement (“EIS”) of the proposed Star – Orion South Diamond Project (“Project”)
- Continued to seek opportunities for Project development capital
- Working capital of \$2.0 million at September 30, 2014
- Issued and outstanding shares of 224,759,242 at September 30, 2014

Overview

During the third quarter of 2014, the Company’s main focus was work related to the environmental assessment process for the Project and continuing to seek opportunities for development capital for the Project. The Project is situated in the Fort à la Corne kimberlite field in central Saskatchewan. The Project includes the 100 percent Shore owned Star Diamond Project, as well as Star West and the Orion South Kimberlite, which fall within the adjacent Fort à la Corne Joint Venture (“FALC-JV”). Shore has a 68 percent interest in the FALC-JV and Newmont Canada FN Holdings ULC (“Newmont”) has a 32 percent interest.

The Company has completed a National Instrument (“NI”) 43-101 compliant Technical Report (“Feasibility Technical Report”) documenting the Feasibility Study and Mineral Reserve for the Project (“Feasibility Study”), the results of which were announced in July 2011 (See SGF News Release dated July 14, 2011). The Feasibility Study includes a cash flow model Base Case net present value (“NPV”) of \$2.1 billion (using a 7 percent discount rate) for an Internal Rate of Return (“IRR”) of 16 percent before taxes and royalties and an after-taxes and royalties NPV of \$1.3 billion with an IRR of 14 percent. The full details of the Feasibility Technical Report can be viewed on the Company’s website (www.shoregold.com) or on SEDAR (www.sedar.com).

The Canadian Environmental Assessment Agency (“CEAA” or the “Agency”) has completed their technical review of the proposed Project and during the second quarter released the final Comprehensive Study Report (“CSR”) for a thirty day public comment period (See SGF News Release dated June 25, 2014). The CSR contains CEAA’s conclusions about the potential environmental effects of the Project. Within the CSR, CEAA concludes that the Project is not likely to cause significant adverse environmental effects when the implementation of proposed mitigation measures is taken into account. The Minister of Environment will take into consideration the CSR and all comments received and will issue an environmental assessment decision statement, stating if the Project is likely to cause significant adverse environmental effects, and if those effects are justified, considering the potential benefits of the Project.

During the quarter the Company also announced that it has filed the Final EIS for the Project to the Ministry and the CEAA (See SGF News Release dated August 6, 2014). The Final EIS was prepared at the request of the Ministry and includes all updates, revisions, information requests and the Company’s responses. The Final EIS will be released for public comment by the Saskatchewan Ministry of Environment once the document has been reviewed.

Quarterly Results

For the quarter ended September 30, 2014, the Company recorded a net loss of \$0.8 million or \$0.00 per share compared to a net loss of \$1.3 million or \$0.01 per share for the same period in 2013. The losses during these quarters were due to operating costs and exploration and evaluation expenditures incurred by the Company exceeding interest revenue earned on cash and cash equivalents and short-term investments.

Year to Date Results

For the nine months ended September 30, 2014, the Company recorded a net loss of \$2.6 million or \$0.01 per share compared to a net loss of \$4.4 million or \$0.02 per share for the same period in 2013. The losses were primarily due to ongoing operating costs and exploration and evaluation expenditures incurred by the Company exceeding interest revenue earned on cash and cash equivalents and short-term investments. Losses during the nine months ended September 30, 2014 were lower than the same period in the previous year as a result of lower exploration and evaluation expenditures incurred as well as lower costs incurred due to measures taken to reduce operating expenses.

Selected financial highlights include:

Condensed Consolidated Statements of Financial Position	As at September 30, 2014	As at Dec 31, 2013
Current assets	\$ 2.2 M	\$ 4.6 M
Capital and other assets	2.3 M	2.5 M
Current liabilities	0.2 M	0.4 M
Long-term liabilities	0.9 M	0.9 M
Shareholders' equity	3.4 M	5.8 M

Consolidated Statements of Loss and Comprehensive Loss	Three Months Ended September 30, 2014	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2014	Nine Months Ended September 30, 2013
Interest and other income	\$ 0.0 M	\$ 0.0 M	\$ 0.0 M	\$ 0.1 M
Expenses	0.8 M	1.3 M	2.6 M	4.5 M
Net and comprehensive loss for the period	(0.8) M	(1.3) M	(2.6) M	(4.4) M
Net loss per share for the period (basic and diluted)	(0.00)	(0.01)	(0.01)	(0.02)

Condensed Consolidated Statements of Cash Flows	Nine Months Ended September 30, 2014	Nine Months Ended September 30, 2013
Cash flows from operating activities	\$ (2.1) M	\$ (4.2) M
Cash flows from investing activities	1.8 M	3.3 M
Net decrease in cash	(0.3) M	(0.9) M
Cash – beginning of period	0.8 M	1.7 M
Cash – end of period	0.5 M	0.8 M

Outlook

The Company is proceeding with the completion of the environmental assessment process and continuing to seek opportunities for development capital through participation in the Project by a third party or a syndicate of investors. Measures taken since early 2012 will help enable the Company to conserve its cash position and provide an extended operating window in which Shore can complete the environmental assessment process and continue to seek opportunities for development capital. In addition, Shore aims to undertake additional exploration and evaluation on the Orion South Kimberlite with the objective of potentially upgrading Inferred to Indicated Resources on Orion South.

As of November 12, 2014, the Company had approximately \$1.9 million in cash and cash equivalents and short-term investments (excluding \$1.1 million in restricted cash). A portion of the Company's cash and cash equivalents and short-term investments will be used to advance

certain aspects of the project, including the EIA and related permitting. The Company continues to evaluate opportunities for development capital.

Diamond prices increased rapidly in 2011, reaching a peak in early August of that year, when the price of rough softened as a result of world financial uncertainties, particularly in Europe. Rough prices rose during the first quarter of 2012 but the world financial situation once again caused the price of rough to decrease during the second and third quarters of 2012. Rough prices have, however, increased since the end of the third quarter of 2012 with overall rough diamond prices at the end of 2012 increasing slightly from rough diamond prices at the end of 2011. Rough prices increased in 2014 up until September when prices softened. Current rough prices show a three percent year-on-year increase and are estimated to be somewhat above the price used in the 2011 Feasibility Study.

Caution Regarding Forward-looking Statements

This news release contains forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. 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, and, in particular, statements regarding Shore's future operations, future exploration and development activities or other development plans contain forward-looking statements. Forward-looking statements in this news release include, but are not limited to, statements related to the Feasibility Study; statements and assumptions made regarding buoyancy in world diamond markets and changes in diamond supply and demand; statements related to the approval of the development of the Star - Orion South Diamond Project; statements relating to future development of the Star - Orion South Diamond Project and associated timelines; availability of project financing; the Company's intention to undertake additional exploration and development activities and the use of funds to fund the continuation of the EIA process.

These forward-looking statements are based on Shore's current beliefs as well as assumptions made by and information currently available to it and involve inherent risks and uncertainties, both general and specific. Risks exist that forward-looking statements will not be achieved due to a number of factors including, but 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 contractual 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, news releases and technical reports. Shore's anticipation of and success in managing the foregoing risks could cause actual results to differ materially from what is anticipated in such forward-looking statements.

Although management considers the assumptions contained in forward-looking statements to be reasonable based on information currently available to it, those assumptions may prove to be incorrect. When making decisions with respect to Shore, investors and others should not place undue reliance on these statements and should carefully consider the foregoing factors and other uncertainties and potential events. Unless required by applicable securities law, Shore does not undertake to update any forward-looking statement that may be made.

For further information please contact:

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