

NEWS RELEASE

Stock Symbol: SGF: TSX

January 8, 2018

Saskatoon, Saskatchewan

**STAR - ORION SOUTH DIAMOND PROJECT
SONIC OVERBURDEN DRILLING COMPLETED**

George H. Read, P. Geo., Senior Vice President Exploration and Development of Shore Gold Inc. (“Shore” or the “Company”) is pleased to announce that Shore and Rio Tinto Exploration Canada Inc. (“RTEC”) have completed a Sonic overburden drilling program, consisting of ten holes and some 1,205.5 metres of drilling (Table 1), on the Star Kimberlite. This geotechnical investigation of the overburden was completed, in close proximity (1.5 metres) to the core drilling, by Boart Longyear Inc., utilizing a Sonic drill rig. Detailed geotechnical logging of the core collected by the Sonic rig has been completed by Clifton Associates Ltd. The ten hole locations are in close proximity (10 to 15 metres) to previously collected underground bulk samples and past 48 inch large diameter drill (“LDD”) holes and include areas of significant intersections (80 – 110 metres) of the Early Joli Fou (“EJF”) Kimberlite, the principal economic unit of the Indicated Resources previously estimated by Shore for the Star Kimberlite in December 2015.

Table 1: Summary of Sonic Overburden Drilling

Hole ID	Hole Depth (m)
FALCS001	124.96
FALCS002	109.73
FALCS003	149.35
FALCS004	120.39
FALCS005	114.32
FALCS006	111.28
FALCS007	137.16
FALCS008	109.73
FALCS009	117.35
FALCS010	111.25
Total	1,205.52

Senior Vice President Exploration and Development, George Read, states: “This Sonic drilling investigation of the overburden above the kimberlite is an important precursor to a proposed mini-bulk sample drilling program scheduled to commence in 2018. The Sonic drill hole locations are in close proximity to the core holes, which will act as pilot holes for the upcoming program.”

The Star-Orion South Diamond Project is located in central Saskatchewan some 60 kilometres east of the city of Prince Albert. The Project is in close proximity to established infrastructure, including paved highways and the electrical power grid, which provide significant advantages for future mine development. The Technical Report on the Revised Resource Estimate for the Star - Orion South Diamond Project dated November 9, 2015 provided an updated Mineral Resource Estimate for the Star and Orion South kimberlite deposits: Indicated Mineral Resources of 393 million tonnes containing 55.4 million carats of diamonds at a weighted average price of US\$210 per carat. In addition to the Indicated Mineral Resource Estimate, the Star and Orion South Kimberlites include Inferred Resources containing 11.5 million carats. Shore has granted RTEC an option to earn up to a 60% interest in the Fort à la Corne mineral properties (including the Project) on the terms and conditions contained in

the Option Agreement (see SGF News Release dated June 23, 2017). Completion of the proposed 2018 sampling program (First Option) does not entitle RTEC to an interest in the Fort à la Corne mineral properties (including the Project).

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

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

This news release contains forward-looking statements as defined by certain securities laws, including the "safe harbour" provisions of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "expect", "plan", "intend", "forecast", "target", "project", "guidance", "may", "will", "should", "could", "estimate", "predict" or similar words suggesting future outcomes or language suggesting an outlook. In particular, statements regarding Shore's future operations, future exploration and development activities or other development plans constitute forward-looking statements. By their nature, statements referring to mineral reserves, mineral resources or TFFE constitute forward-looking statements.

Forward-looking statements in this press release include, but are not limited to statements with respect to the geotechnical investigations and Shore and RTEC's objectives for the ensuing year, including the proposed 2018 sampling program.

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 prices, 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, development, closure, 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. 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 is made herein.

For further information: shoregold@shoregold.com or (306) 664-2202
www.shoregold.com

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