



NEWS RELEASE

Stock Symbol: SGF: TSX

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Saskatoon, Saskatchewan

**STAR-ORION SOUTH DIAMOND PROJECT PROPOSAL
PROJECT-SPECIFIC GUIDELINES PUBLISHED**

George H. Read, P. Geo., Senior Vice President Exploration and Development, is pleased to announce that the Environmental Assessment Branch of the Saskatchewan Ministry of Environment, in anticipation of environmental assessment of the Star – Orion South Diamond Project, has made draft project-specific guidelines available for public review and comment. The notices published in local Saskatchewan newspapers include the following:

Shore is proposing to develop and operate a diamond mine approximately 65 kilometres east of Prince Albert, Saskatchewan. The proposed project includes the excavation of an open pit at the Star Kimberlite and a potential second pit at Orion South and constructing a common processing plant and associated infrastructure. The Project footprint in the Fort a la Corne Provincial Forest will be 3,000 to 4,000 hectares (2.3 to 3.0% of the forest) in close proximity to the Saskatchewan River.

Shore is seeking approval under the Environmental Assessment Act before proceeding with the Project. The Company must conduct an Environmental Impact Assessment (EIA) and prepare an Environmental Impact Statement, which the public and Ministry of Environment will use to evaluate the environmental implications of the proposed development.

To assist Shore with the EIA, draft project-specific guidelines identifying key issues have been prepared. The public is invited to comment on the draft guidelines. The document can be viewed at the offices of the City of Prince Albert, City of Melfort, Town of Nipawin, Village of Smeaton and the Rural Municipality of Torch River in White Fox. The document can also be obtained from the Ministry of Environment website at: www.environment.gov.sk.ca (Programs and Services/Environmental Assessment/Notices/Section 10/2008-089).

Senior Vice President Exploration and Development, George Read, states: “The publication of draft project-specific guidelines is an important step in the regulatory process toward the development of the first diamond mine in Saskatchewan. The draft project-specific guidelines are also available on the Shore website at www.shoregold.com.”

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:

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