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NEWS RELEASE
Stock Symbol: SGF:TSX

October 13, 2009
Saskatoon, Saskatchewan

SHORE GOLD ANNOUNCES CLOSING OF \$27.5 MILLION PRIVATE PLACEMENT

Kenneth E. MacNeill, President and Chief Executive Officer of Shore Gold Inc. ("Shore"), is pleased to announce the successful closing today of Shore's private placement of 14,300,000 Common Shares at a price of \$1.05 per Common Share and 10,000,000 Flow-Through Common Shares at a price of \$1.25 per Flow-Through Common Share for aggregate gross proceeds of \$27,515,000.

RBC Capital Markets together with a syndicate of Genuity Capital Markets and Research Capital acted as agents in connection with the offering.

The aggregate net proceeds of the offering will be used to advance the development of Shore's Star Kimberlite and its Orion Kimberlite Cluster within the Fort a la Corne Joint Venture and for general corporate purposes. The proceeds from the sale of the Flow-Through Common Shares will be used by Shore to incur Canadian exploration expenses ("Qualifying Expenditures") prior to December 31, 2010. Shore will renounce the Qualifying Expenditures to subscribers of Flow-Through Common Shares for the fiscal year ended December 31, 2009.

Shore is a Canadian based corporation engaged in the acquisition, exploration and development of mineral properties. Common Shares of Shore trade on the TSX under the trading symbol "SGF".

Caution Regarding Forward-Looking Statements

Certain statements contained in this press release constitute forward-looking statements relating to the tax treatment of the Flow-Through Common Shares and also the use of the net proceeds by Shore. These forward-looking statements are based on Shore's current beliefs as well as assumptions made by and information currently available to Shore. 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 partner, the effects of competition in the markets in which Shore operates, the impact of changes in the partners or the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and tax treatment of the Flow- Through Common Shares.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The Common Shares and the Flow-Through Common Shares will not be and have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

For further information please contact:

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