



NEWS RELEASE

Stock Symbol: SGF: TSX

**November 12, 2013
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, 2013 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

- Prepared and submitted responses for comments and information requests on the Revised Environmental Impact Statement
- Received notice that the Environmental Effects Summary document was made available for public review and 30-day comment period
- Continued to seek opportunities for Star – Orion South Diamond Project (“Project”) development capital
- Working capital of \$4.6 million at September 30, 2013
- Issued and outstanding shares of 224,739,242 at September 30, 2013

Overview

During the third quarter of 2013, the Company’s main focus was work relating to the environmental assessment process for the Star – Orion South Diamond Project (“Project”) and continuing to seek opportunities for development capital for the Project. 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 Revised Environmental Impact Statement (“EIS”), which describes the potential environmental and socio-economic effects of the Project, was submitted to Provincial and Federal regulators on August 10, 2012 (See SGF News Release dated August 10, 2012). The Saskatchewan Ministry of Environment (“Ministry”) is the lead agency on behalf of the Province and the Canadian Environmental Assessment Agency (“CEAA”) is the lead agency for the Federal government, which are jointly conducting the environmental assessment of the Project. The Environmental Effects Summary document, prepared by the CEAA, was made available in August 2013 for public review and comment for a period of thirty days (See SGF News Release dated August 14, 2013). The preparation of the Environmental Effects Summary and public comment period are part of the Federal comprehensive study type environmental assessment of the Project. The CEAA invited the public to comment on the potential environmental effects of the Project and the proposed measures to prevent or mitigate those effects as described in the Environmental Effects Summary. Subsequent to this period of public comment, the CEAA will prepare the Comprehensive Study Report (“CSR”), with input from the public, Federal departments and Aboriginal groups. The CSR will outline the Agency’s conclusions regarding the potential environmental effects of the project, the proposed mitigation measures and the significance of the remaining adverse environmental effects. The CSR will also be made available

for public comment, after which the Ministry will take into consideration the CSR and all comments received and will issue its environmental assessment decision statement.

Quarterly Results

For the quarter ended September 30, 2013, the Company recorded a net loss of \$1.3 million or \$0.01 per share compared to a net loss of \$1.7 million or \$0.01 per share for the same period in 2012. 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, 2013, the Company recorded a net loss of \$4.4 million or \$0.02 per share compared to a net loss of \$7.7 million or \$0.03 per share for the same period in 2012. 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, 2013 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 the reductions in the Company's officers and personnel which took place during the previous year. These measures were taken to enable the Company to conserve its cash position and provide an extended operating window in which Shore can complete the environmental approval and Project permitting and continue to seek opportunities for development capital for the Project.

Selected financial highlights include:

Condensed Consolidated Statements of Financial Position	As at September 30, 2013	As at Dec 31, 2012
Current assets	\$ 4.9 M	\$ 9.0 M
Capital and other assets	3.7 M	4.1 M
Current liabilities	0.3 M	0.4 M
Long-term liabilities	1.4 M	1.4 M
Shareholders' equity	6.9 M	11.3 M

Consolidated Statements of Loss and Comprehensive Loss	Three Months Ended September 30, 2013	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2013	Nine Months Ended September 30, 2012
Interest and other income	\$ 0.0 M	\$ 0.0 M	\$ 0.1 M	\$ 0.1 M
Expenses	1.3 M	1.6 M	4.5 M	7.3 M
Loss for the period before other items	(1.3) M	(1.6) M	(4.4) M	(7.2) M
Investment in Wescan Goldfields Inc.	0.0 M	(0.1) M	0.0 M	(0.5) M
Net and comprehensive loss for the period	(1.3) M	(1.7) M	(4.4) M	(7.7) M
Net loss per share for the period (basic and diluted)	(0.01)	(0.01)	(0.02)	(0.03)

Condensed Consolidated Statements of Cash Flows	Nine Months Ended September 30, 2013	Nine Months Ended September 30, 2012
Cash flows from operating activities	\$ (4.2) M	\$ (6.3) M
Cash flows from investing activities	3.3 M	(0.2) M
Net decrease in cash	(0.9) M	(6.5) M
Cash – beginning of period	1.7 M	7.2 M
Cash – end of period	0.8 M	0.7 M

Outlook

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. Current rough prices are estimated to be slightly above the price used in the 2011 Feasibility Study.

As of November 12, 2013, the Company had approximately \$4.1 million in cash and cash equivalents and short-term investments (excluding \$1.8 million in restricted cash). Measures taken in early 2012 have enabled the Company to conserve its cash position and provide an extended operating window in which Shore can complete the environmental permitting process and continue to seek opportunities for development capital. 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.

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 and environmental assessment process; 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; 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.

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