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NEWS RELEASE

Stock Symbol: SGF: TSX

November 3, 2008

Saskatoon, Saskatchewan

**SHORE GOLD ANNOUNCES \$8.0 MILLION
PRIVATE PLACEMENT FLOW-THROUGH EQUITY FINANCING**

Kenneth E. MacNeill, President and Chief Executive Officer of Shore Gold Inc. ("Shore") (TSX:SGF) is pleased to announce that Shore has entered into an agreement with RBC Capital Markets for the private placement, on a firm commitment basis, of 10,670,000 Flow-Through Common Shares (the "Flow-Through Shares") of the Company at a price of \$0.75 per Flow-Through Common Share for gross proceeds of \$8.0 million (the "Offering").

The net proceeds of the offering will be used by Shore to incur Canadian exploration expenses ("Qualifying Expenditures") prior to December 31, 2009. Shore will renounce the Qualifying Expenditures to subscribers of Flow-Through Shares for the fiscal year ended December 31, 2008.

The offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals, including the approval of the Toronto Stock Exchange. Closing is expected on or about November 24, 2008.

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".

Certain statements contained in this press release constitute forward-looking statements relating to the tax treatment of the Flow-Through 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 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 Flow-Through 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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