



NEWS RELEASE

Stock Symbol: SGF: TSX

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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, 2015 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

- Announced Revised Mineral Resources for the Star and Orion South Kimberlites;
- Announced an updated valuation of the diamond parcels from the Star – Orion South Diamond Project (“Project”);
- Announced drilling results of the core and large diameter drilling (“LDD”) programs on the Orion South Kimberlite;
- Continued to seek opportunities for Project development capital;
- Working capital of \$1.9 million at September 30, 2015;
- Issued and outstanding shares of 258,066,348 at September 30, 2015

Overview

The Company recently announced Revised Mineral Resource estimates for the Star and Orion South Kimberlites (see SGF News Release dated November 9, 2015). These Revised Mineral Resource estimates resulted in substantial increases in tonnes, grade and carats in the Indicated Resource category. Indicated Mineral Resource on Star has increased 38 percent to 28.2 million carats and the grade has increased 11 percent to 15 carats per hundred tonnes (“cpht”). Indicated Mineral Resource on Orion South has increased 134 percent to 27.1 million carats and the grade has increased 1 percent to 14 cpht.

The Company also recently announced an updated valuation of the diamond parcels from the Project (see SGF News Release dated October 21, 2015). This updated diamond valuation was required for the Revised Mineral Resource estimates for the Star and Orion South Kimberlites. The Parcel Prices show increases between 31 and 125 percent above the March 2008 prices. Model Prices ranging between \$161 and \$333 per carat have been determined for the diamond populations of the major kimberlite units that make up the Star and Orion South Kimberlites. The decline in the value of the Canadian dollar against the US dollar since January 2013 works in favour of Project economics and the increase in Model Prices is even greater in Canadian dollar terms.

During the nine months ended September 30, 2015 the Company announced that core and LDD drilling programs on the Orion South Kimberlite has been successfully completed (see SGF News Release dated June 15, 2015). The core drilling was required to accurately document the internal stratigraphy of the Orion South Kimberlite prior to the commencement of the LDD program. The LDD drilling program aimed to provide diamond grade information at new grid locations and this additional diamond grade information was used in the revised Mineral Resource estimates. The original evaluation of the Orion South Kimberlite, using underground bulk sampling and LDD mini-bulk sampling, was curtailed by the world financial crisis of late 2008.

The LDD program included twelve 24 inch holes totaling 2,560.5 metres that sampled a total of 1,028.53 metres of kimberlite units within the Orion South Kimberlite (see SGF News Release

dated September 2, 2015). The samples were processed at Rio Tinto Canada Diamond Exploration Inc's Thunder Bay Mineral Processing Laboratory.

The core drilling program included 18 vertical NQ (48 millimetre) diamond drill holes totaling 3,617 metres that intersected 1,208 metres of Early Joli Fou ("EJF") and Pense kimberlite, confirming significant new intersections of kimberlite on the western flank and southern part of the Orion South Kimberlite. These significant new kimberlite intersections (up to 112 metres) extend the existing 100 metre grid drilling program already completed on Orion South.

During the second quarter the Company completed a private placement of 10,000,000 Units at a price of \$0.20 per Unit, for aggregate gross proceeds of \$2.0 million (see SGF News Release dated June 12, 2015). Each Unit consisted of one Common Share and one Common Share purchase warrant. Each warrant will entitle the holder thereof to purchase one Common Share at a price of \$0.25 for a period of 18 months from the date of issuance.

Quarterly Results

For the quarter ended September 30, 2015, the Company recorded a net loss of \$2.0 million or \$0.01 per share compared to a net loss of \$0.8 million or \$0.00 per share for the same period in 2014. The losses during these quarters were due to operating costs and exploration and evaluation expenditures incurred by the Company exceeding interest income earned on cash and cash equivalents and short-term investments.

Year to Date Results

For the nine months ended September 30, 2015, the Company recorded a net loss of \$7.7 million or \$0.03 per share compared to a net loss of \$2.6 million or \$0.01 per share for the same period in 2014. The losses were primarily due to ongoing operating costs and exploration and evaluation expenditures incurred by the Company exceeding interest income earned on cash and cash equivalents and short-term investments. Losses during the nine months ended September 30, 2015 were higher than the same period in the previous year as a result of higher exploration and evaluation expenditures incurred primarily relating to the drilling programs.

Selected financial highlights include:

Condensed Consolidated Statements of Financial Position	As at September 30, 2015	As at Dec 31, 2014
Current assets	\$ 2.1 M	\$ 6.8 M
Capital and other assets	2.0 M	2.2 M
Current liabilities	0.1 M	0.4 M
Long-term liabilities	0.6 M	0.6 M
Shareholders' equity	3.4 M	8.0 M

Consolidated Statements of Loss and Comprehensive Loss	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Interest and other income	\$ 0.0 M	\$ 0.0 M	\$ 0.0 M	\$ 0.0 M
Expenses	2.0 M	0.8 M	7.7 M	2.6 M
Net and comprehensive loss for the period	(2.0) M	(0.8) M	(7.7) M	(2.6) M
Net loss per share for the period (basic and diluted)	(0.01)	(0.00)	(0.03)	(0.01)

Condensed Consolidated Statements of Cash Flows	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Cash flows from operating activities	\$ (6.9) M	\$ (2.1) M
Cash flows from investing activities	0.0 M	1.8 M
Cash flows from financing activities	2.1 M	0.0 M
Net decrease in cash	(4.8) M	(0.3) M
Cash – beginning of period	5.6 M	0.8 M
Cash – end of period	0.8 M	0.5 M

Outlook

The additional exploration and evaluation carried out during 2015 were steps required for the recently completed Revised Mineral Resource estimates on the Orion South and Star Kimberlites. The Revised Mineral Resource estimate will now be incorporated into a re-optimized open pit mine plan for the Project, which will include a re-evaluation of mineral reserves and an economic assessment based thereon. It is anticipated this work will be completed during 2016 and will result in a revised Feasibility Study including a revised statement of Mineral Reserves for the Project, if warranted, and an economic assessment based thereon. Accordingly, the mineral resources and economic assessment previously disclosed by Shore for the Project should no longer be relied upon.

In addition, the Company is proceeding with the environmental assessment process for the Project and is continuing to seek opportunities for development capital through participation in the Project by a third party or a syndicate of investors.

As of November 11, 2015, the Company had approximately \$1.7 million in cash and cash equivalents and short-term investments (excluding \$1.0 million in restricted cash). 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 work relating to the 2015 drilling programs, the revised Mineral Resource estimates and the environmental assessment process, as well as for general corporate matters. The Company continues to evaluate opportunities for development capital.

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 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; the environmental assessment and permitting process; the Company's intention to seek developmental capital through participation by a third party or syndicate of investors; pricing information and other assumptions and parameters; the upgrade of Inferred to Indicated Resources; the improvement in the Mineral Resource estimate; the re-optimization of the Star and Orion South open pits; the inference that large high quality diamonds will be recovered; publication of the Technical Report; the aim of Shore to undertake additional studies and the potential upgrading of the feasibility study and revised statement of mineral reserves and economic assessment.

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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