

Star-Orion South Diamond Project Environmental Impact Assessment

- an opportunity to have input
- an opportunity to speak with professionals in geology, engineering, environment, human resources, contracting, law and community relations

Open House 2010 June 14 - 17

Everyone Welcome!

Shore is hosting Open Houses to update you on latest developments concerning the diamond project: an updated proposal which includes two open pits, information on the 2010 Pre-Feasibility Study and updated environmental information. Open House information will respond to what we heard at the 2009 Open Houses, gather input and provide information on what diamond mining would be like and what it would mean for the area.

Monday, June 14
Meath Park Seniors' Hall - 4:30 pm to 7:30 pm

Tuesday, June 15
Choiceland Elks Memorial Hall - 12:00 pm to 3:00 pm

Tuesday, June 15
Nipawin Evergreen Centre - 5:00 pm to 8:00 pm

Wednesday, June 16
Tisdale Civic Centre - 12:00 pm to 3:00 pm

Wednesday, June 16
Melfort Kerry Vickar Center - 5:00 pm to 8:00 pm

Thursday, June 17
Prince Albert Forest Centre - 10:00 am to 3:00 pm

Complete copies of the Project Proposal (click on "Community") and the Pre-Feasibility News Release and Technical Report are on the company website www.shoregold.com.

What to expect:

- updated displays, including:
 - geology: why are there diamonds in this area?
 - mining method
 - environment
 - economy: jobs and contracts
- responses to previous inquiries



Métis Regions and Shore Gold Signing Information Gathering Agreement – March 31, 2010. Left to Right, Elder Percy Daoust, Darlene McKay, Director, Métis Nation - Saskatchewan Western Region II, Eric Cline, VP, Corporate Affairs, Shore Gold Inc., Helene Johnson, Director, Métis Nation – Saskatchewan Eastern Region II.

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Star-Orion South Diamond Project Pre-feasibility Study Technical Report Filed

The NI 43-101 compliant Technical Report on the Star-Orion South Diamond Project detailing the Pre-feasibility Study was filed March 24, 2010. The report sets out the basis for the Mineral Reserve announced February 10, 2010, and can be viewed at www.sedar.com or www.shoregold.com.

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Sturgeon Lake First Nation, Métis Regions, Red Earth Cree Nation and Shore Enter Into

Information Gathering Agreements

The Fort à la Corne forest, site of the proposed Star-Orion South Diamond Project is considered traditional territory by several aboriginal parties, including Sturgeon Lake First Nation ("Sturgeon Lake"), Red Earth Cree Nation ("Red Earth") and two Métis Nation – Saskatchewan ("MNS") Regions, namely MNS Eastern Region II and MNS Western Region II.

Shore has recently entered into Information Gathering agreements, one with Sturgeon Lake, another jointly with MNS Eastern Region II and Western Region II, and a third with Red Earth.

These agreements provide for cooperation between Shore and each aboriginal party to gather information concerning aboriginal traditional land use and traditional knowledge in the area.

Information as to potential impacts of diamond mining on traditional uses of the forest will be identified in the process, and included in Shore's Environmental Impact Statement to be submitted to the Saskatchewan Ministry of Environment and federal authorities later this year.

Shore Vice President, Corporate Affairs Eric Cline stated: "We welcome the opportunity to work with Sturgeon Lake, the MNS Regions and Red Earth. One objective of Environmental Impact Assessment is to understand the impact the Project may have on traditional uses or spiritual or cultural sites of importance to aboriginal people who view the forest as part of their traditional territory. We respect and appreciate aboriginal rights and the need to accurately inform regulators about the impact Shore's activities could have on the environment, including any impact on aboriginal uses or sites. In addition, the gathering of this information

can provide ways to mitigate or eliminate any adverse impacts of the Project.”

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Aboriginal parties have an interest in building a database of traditional knowledge to record the history of their activities in areas they consider their traditional territories. One advantage of the information gathering process is to record the knowledge of elders, for the benefit of First Nations and Métis people in the future. All information gathered will be the property of the aboriginal party concerned, which retains intellectual property rights and control over distribution of the information.

In addition to agreeing to a process for the gathering of information by consultants and community members selected by Sturgeon Lake, the MNS Regions and Red Earth, Shore has agreed to provide each party with historical record reviews and archaeological and environmental studies conducted by consultants the Company has engaged.

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Year-End Results Announced

On March 24, 2010, Shore released audited results for the year ended December 31, 2009. Results can be viewed at www.sedar.com. Key financial and operating results for the year included:

- announced pre-feasibility study and Mineral Reserve estimate on the Star-Orion South Diamond Project; 279 million tonnes at a weighted average grade of 12.5 carats per hundred tonnes, containing 35 million carats
- received final guidelines from government for preparation of Environmental Impact Statement
- spent \$10.8 million advancing its mineral properties
- raised gross proceeds of \$27.5 million through private placement of 14.3 million Common Shares and 10.0 million flow-through shares
- had working capital of \$38.4 million at December 31, 2009.

Métis Nation - Saskatchewan Regions Holding Community Consultations

As part of their efforts to understand and describe the impacts diamond mining in the Fort à la Corne forest may have on traditional land use in the area by Métis people, MNS Eastern Region II and Western Region II are jointly consulting their members and gathering information through interviews. The MNS regions are planning community meetings with their members in several communities, including Kinistino, Prince Albert, Melfort, Tisdale and Nipawin between May 27 and June 12, 2010.

Dates, locations and times of the meetings can be accessed by members of the Métis Regions. Please contact Emmy Neuls by phone (306) 341-1125 or email at eneuls@ibrg.ca, Darlene McKay at (306) 763-5356 or darlenemckay@sasktel.net or Helene Johnson at (306) 323-4244 or er2@sasktel.net.

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Community Representatives on Diamond Development Advisory Committee Assisting in Planning Public Open Houses

As was the case for the well-attended public Open houses conducted in February, 2009, Shore Gold **Open House 2010** is being planned in consultation with representatives of the communities in the region, including cities, towns, villages, First Nations and Métis Regions. An initial draft run of proposed Open House information will be presented to community members prior to finalization.

Shore company representatives have found better presentations result from the involvement of and input from local community representatives. As well, local community representatives assist in hosting members of the public in their home communities.

“We are highly appreciative of the valuable input we receive from so many community members, and the good relationship we have with people in the region,” said Shore’s Director of Community Relations, Julia Ewing. “It is our objective to continue to work closely with the communities in the area,” she said.

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Shore Gold Open House – Prince Albert, 2009

Upcoming Events

Diamond Development Advisory Committee Meeting

Tuesday, May 18, 2010
Smeaton Recreation Centre
Smeaton, SK

Shore Gold Inc. Annual General Meeting

Wednesday, June 9, 2010
Sheraton Cavalier Hotel - 10:00 am
Saskatoon, SK



Caution regarding Forward-Looking Statements

This newsletter 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. Forward-looking information is often, but not always, identified by the use of words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “forecast”, “target”, “project”, “guidance”, “may”, “will”, “should”, “could”, “estimate”, “predict” or similar words suggesting future outcomes or language suggesting an outlook. In particular, statements regarding Shore’s future operations, future exploration and development activities or other development plans constitute forward-looking statements. Forward-looking statements in this newsletter include, but are not limited to, and timing and scheduling of the EIA process.

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 and annual and interim MD&A, 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 that may be contained herein.