



NEWS RELEASE

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Saskatoon, Saskatchewan

**STAR DIAMOND PROJECT: FINAL PHASE 3 DIAMOND RESULTS
9.14, 8.58, 8.47 AND 7.45 CARAT DIAMONDS IN 350.10 CARAT PARCEL**

George H. Read, P. Geo., Senior Vice President Exploration and Development, is pleased to announce the eighth and final set of diamond results from Phase 3 of the underground bulk sampling of the Star Kimberlite (Phase 1 being the original 25,000 tonne bulk sample and Phase 2 being the 18,000 tonne bulk sample). The diamond recoveries total 350.10 carats from 2,862 dry tonnes of kimberlite processed. Included in this release are results for 12 kimberlite batches of a total of 87 kimberlite batches that were processed as part of the Phase 3 bulk sampling program. A total of 2,078 commercial sized diamonds (greater than 1.18 millimetre square mesh screen), collectively weighing 349.07 carats, has been recovered from these 12 batches. Fifty-two diamonds greater than one carat have been recovered and the four largest stones are: 9.14, 8.58, 8.47 and 7.45 carats, respectively. In addition, 77 diamonds totaling 1.03 carats were recovered down to 0.85 millimetre square mesh. The colour of 56.2 percent of the diamonds has been classified as white, with a further 21.2 percent classified as off-white.

These batches were recovered from the Early Joli Fou (EJF) (Batches 179B, 180 and 184) and Cantuar (Batches 179A, 233A, 233B, 234A, 234B, 235 and 236) Kimberlites, as well as some Clean up samples (Batches 226 and 237). The EJF and three Cantuar batches were recovered from underground bulk sampling within Shore's 100 percent owned Star Diamond Project while the remaining three Cantuar batches were recovered to the southwest of the shaft within Star West, which forms part of the Fort a la Corne Joint Venture (Shore 60%, Newmont 40%). The low grade (2.81 cpht) of Cantuar Batch 179A results from significant localized (80 percent) mudstone dilution. The Clean up samples were collected from surface kimberlite stockpile areas. Kimberlite processed and diamond results for the 12 sample batches are listed in the tables below. Grades are expressed in carats per hundred tonnes (cpht).

TABLE 1. EJF Kimberlite

Batch #	Location	Dry Tonnes	Number of Stones	Total (carats)	Grade (cpht)	Largest Stone (carats)
179B	SOUTH 9D	159.82	174	29.25	18.30	2.61
180	NORTH 6C	30.17	30	4.63	15.35	1.21
184	NORTH 4 SLASH	60.32	40	4.27	7.08	0.55
TOTAL		250.31	244	38.15	15.24	

TABLE 2. Cantuar Kimberlite

Batch #	Location	Dry Tonnes	Number of Stones	Total (carats)	Grade (cpht)	Largest Stone (carats)
179A	SOUTH 9D	94.93	35	2.67	2.81	0.52
233B	SOUTH 9I	99.49	64	7.28	7.32	1.80
234B	SOUTH 9G	59.28	29	7.94	13.39	3.40
233A	SOUTH 9I (Star West FALC-JV)	215.96	222	31.28	14.48	3.47
234A	SOUTH 9G (Star West FALC-JV)	303.37	150	26.95	8.88	3.40
235	SOUTH 9J (Star West FALC-JV)	344.83	288	49.01	14.21	3.57
236	SOUTH 9H (Star West FALC-JV)	356.36	282	81.74	22.94	9.14
TOTAL		1,474.22	1,070	206.87	14.03	

TABLE 3. Clean Up Batches

Batch #	Location	Dry Tonnes	Number of Stones	Total (carats)	Grade (cpht)	Largest Stone (carats)
226	Clean Up	343.25	184	21.41	6.24	2.49
237	Clean Up	794.24	657	83.67	10.53	4.68
TOTAL		1,137.49	841	105.08	9.24	

The four largest stones are: 9.14, 8.58, 8.47 and 7.45 carats respectively. Twenty-five diamonds exceed two carats and 52 diamonds exceed one carat, of which 22 are white, 17 are off-white, 10 are grey, 2 are brown, and one is yellow. A total of 127 diamonds exceed 0.5 carats. Fifty-six percent of this diamond parcel is classified white in colour, with a further 21.2 percent classified as off-white. 99.7 percent of the carat weight of this parcel occurs in diamonds greater than 1.18 millimetre square mesh.

Senior Vice President Exploration and Development, George Read, states: "These results are the final batches of kimberlite to be processed for the Star underground bulk sample. A total of 68,810 tonnes of kimberlite has been recovered and processed as the underground bulk sample of the Star Kimberlite. This processed kimberlite has produced 80,639 diamonds (+0.85 millimetre) weighing a total of 10,586 carats. The underground bulk sampling of Star has proved to be a most successful exercise that has provided the Company with representative diamond grade and price statistics for the various kimberlite lithologies that make up the Star Kimberlite. The diamond valuation of the total underground bulk sample from Star is currently underway and the results will be reported as soon as they become available. All large diameter drilling (LDD) in the Star Kimberlite is expected to be complete by the end of the year and will be incorporated with the underground bulk sample and core drilling information into a NI 43-101 Mineral Resource estimate expected to be released by the end of the first quarter 2008."

The diamond recovery procedure includes on-site processing of kimberlite through the modular Dense Media Separator (DMS), after which DMS concentrates are batch fed through an X-ray Flow-sort. In order to ensure the recovery of low luminosity diamonds, the Flow-sort tailings are processed over a grease table. Flow-sort and grease table concentrates are transported by a secure carrier to SGS Lakefield Research for final diamond recovery. The SGS Lakefield Research process includes drying, screening, magnetic separation, manual sorting and diamond weighing and description. SGS Lakefield Research is accredited to the ISO/IEC 17025 standard by the Standards Council of Canada as a testing laboratory for specific tests.

Senior Vice President Exploration and Development, George Read, Professional Geoscientist in the Provinces of Saskatchewan and British Columbia, is the Qualified Person responsible for the verification and quality assurance of analytical results. 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".

Caution Regarding Forward-Looking Statements

From time to time, Shore makes written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the Ontario Securities Act and the United States Private Securities Litigation Reform Act of 1995. Shore may make such statements in this press release, in other filings with Canadian regulators or the United States Securities and Exchange Commission, in reports to shareholders or in other communications. These forward-looking statements include, among others, statements with respect to Shore's objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. 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. In particular, statements regarding Shore's future operations, future exploration and development activities or other development plans contain forward-looking statements.

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, annual and interim MD&A and short form prospectus, 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. Shore does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by Shore or on our behalf.

For further information please contact:

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