



NEWS RELEASE

Stock Symbol: SGF: TSX

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Saskatoon, Saskatchewan

**FORT A LA CORNE JOINT VENTURE
SHORE AND NEWMONT AGREE TO SINK THE ORION SOUTH SHAFT**

George H. Read, P. Geo., Senior Vice President Exploration and Development, is pleased to announce that Shore and Newmont have approved the sinking of a shaft for underground bulk sampling of the Orion South Kimberlite. This unanimous decision was reached at a recent Management Committee Meeting for the Fort a la Corne Joint Venture (FALC-JV), where Shore Gold Inc. (Shore) is the Operator with a 60 percent interest, and Newmont Mining Corporation of Canada Limited (Newmont) has a 40 percent interest. The approval of the shaft includes the approval of a \$12 million budget to complete the shaft to a depth of 210 metres below surface, a depth that current scheduling suggests will be reached in the second quarter 2008.

Commenting on the shaft sinking, Newmont Vice President of Business Development, David Faley said, "We are encouraged by the opportunities our investment in the FALC-JV continue to offer, with our latest joint commitment with Shore Gold representing our ongoing interest in the Fort a la Corne Diamond District."

President and CEO, Kenneth MacNeill, states that: "We are pleased to be working with our partner Newmont in what we consider another major step in the development of this very large Project. Shaft sinking on Star has confirmed that grade increases with larger, more representative samples. On Star we have seen the grade increase by some 130 percent from the original large diameter drillhole to the completion of the underground bulk sampling. By the second quarter of 2008 we should be able to test this same analysis on Orion South. We continue to be very excited about the future prospects for the FALC-JV and look forward to another busy year of bulk sample reporting."

The freeze wall, which stabilizes the semi-consolidated overburden, is in place and the freeze plant was commissioned mid-September. It is anticipated that it will take three months for the overburden to freeze down to 125 metres below surface. The shaft collar has been cast in concrete and shaft sinking at surface has commenced with the upper reaches of the shaft being excavated with a clam shell excavator. It is anticipated that the headframe from the Star Diamond Project will be erected over the shaft in late-October and thereafter shaft sinking will proceed with a Galloway stage and Cryderman clam hanging from the headframe. The excavated diameter of the shaft is 5.1 metres and with the concrete lining will result in an internal diameter of 4.5 metres. It is estimated that some 5,000 tonnes of kimberlite will be recovered from the shaft alone, prior to the development of lateral drifts. The current schedule suggests that shaft sinking will proceed through the overburden and reach the Orion South Kimberlite in January 2008. A pilot PQ (75 millimetres) core hole (141-07-081C) was drilled to a depth of 241 metres below surface and the geologic sequence logged from this hole is: 0-102 metres glacial overburden, 102-105 metres Late Joli Fou Kimberlite, 105-147 metres Early Joli Fou Kimberlite and 147-241 metres Pense Kimberlite. This pilot hole terminated in kimberlite and adjacent holes suggest that the kimberlite sediment boundary occurs at approximately 270 metres below surface.

Senior Vice President Exploration and Development, George Read, states: "The geological model for Orion South has been well constrained by detailed geological logging of 133 pattern core holes, combined with whole rock geochemistry, downhole geophysics and density measurements. Early stage diamond results from large diameter drilling (LDD) strongly suggest diamond populations within Orion South that are similar to Star and, thus, define Orion South as a target for shaft sinking and underground bulk sampling. The well constrained geological model on Orion South facilitated the selection of the optimal location for a shaft that will permit access to the three dominant kimberlite lithologies in Orion South: Pense, EJF1 and EJF2. Present estimates suggest that these three kimberlite

lithologies (Pense, EJF1 and EJF2) account for some 300 to 330 million tonnes of diamondiferous kimberlite. This tonnage estimate is conceptual in nature, is not a resource and additional work may not necessarily lead to the definition of a resource on Orion South. The aim of this shaft sinking exercise is the recovery of substantial, representative diamond parcels, from each of the Orion South kimberlite lithologies, for diamond grade and price determinations.”

The evaluation of the Orion Kimberlite Cluster within the FALC-JV, with a budget of approximately \$66.5 million (October 2006 – December 2007), is now the largest work program outlined for any of the Fort a la Corne kimberlites. 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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