



**NEWS RELEASE**

**Stock Symbol: SGF: TSX**

**July 25, 2007  
Saskatoon, Saskatchewan**

**FORT A LA CORNE JOINT VENTURE: ORION SOUTH  
FREEZE WALL DRILLING COMMENCES IN PREPARATION FOR SHAFT SINKING**

George H. Read, P. Geo., Senior Vice President Exploration and Development, is pleased to announce that the freeze wall drilling, in preparation for potential shaft sinking, has commenced on the Orion South Kimberlite in the Fort a la Corne Joint Venture, 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 freeze wall drilling program includes 20 eight inch (203 millimetre) tricone holes which will be drilled to a depth of some 125 metres below surface and piped with a closed circuit of brine so that the overburden can be frozen in order to permit safe shaft sinking through this unconsolidated upper region of the shaft. The 20 freeze wall holes were preceded by a PQ (75 millimetre) pilot core hole, which was drilled to a depth of 241 metres below surface. The pilot hole is used to accurately log both the subsurface geology of the overburden and the internal geology of the kimberlite at the site proposed for a shaft that will enable the collection of bulk samples from the three dominant kimberlite phases within Orion South: EJF1, EJF2 and Pense. The freeze wall drilling program is managed by Thyssen Mining and Construction of Canada (TMCC) and the actual drilling is subcontracted to Encore Coring and Drilling Inc. of Calgary, Alberta. It is anticipated that the construction of the refrigeration plant will commence in early August 2007.

Senior Vice President Exploration and Development, George Read, states: "Orion South has been identified as a target for probable shaft sinking and underground bulk sampling. While Shore and Newmont geologists still await a final review of the Orion LDD diamond results, Orion South is presently the priority location for shaft sinking and bulk sampling and it is best to complete the preparations for shaft sinking (establishment of the freeze wall and head frame construction) in the summer months. The drilling of the holes for the freeze wall is the initial step in the establishment of a shaft for underground bulk sampling on Orion South. The well constrained geological model on Orion South facilitated the selection of the location for a potential shaft that will permit access to the three dominant kimberlite lithologies in Orion South."

The evaluation of the Orion Kimberlite Cluster within the FALC-JV, with a budget of approximately \$66.5 million, 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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