



NEWS RELEASE
Stock Symbol: SGF: TSX

May 11, 2007
Saskatoon, Saskatchewan

SHORE GOLD INC. ANNOUNCES FIRST QUARTER RESULTS

Shore Gold Inc. (“Shore” or the “Company”) reports that the unaudited results of Shore’s operations for the quarter ended March 31, 2007 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 are as follows:

Highlights

- Spending of \$3.6 million on the Star Kimberlite advanced exploration program and \$9.9 million on the Company’s share of the à la Corne Joint Venture (“FALC-JV”) exploration program
- Completion of underground bulk sampling and decommissioning of the shaft on the Star Kimberlite
- Completion of a twenty-four hole large diameter drilling program on the FALC-JV Orion Cluster
- Announced potential acquisition of interest in the Buffalo Hills Project joint venture for \$8.75 million
- Working capital of \$105.8 million at March 31, 2007
- Issued and outstanding shares of 177,261,460 at March 31, 2007

Star Diamond Property Advanced Exploration Program

Underground bulk sampling on the Star Diamond Project was successfully completed and the shaft has now been decommissioned. In total, three phases of underground bulk sampling were completed resulting in excess of 70,000 tonnes of kimberlite recovered. Final kimberlite tonnages and diamond grades from the Star underground bulk sampling will be published as soon as all remaining surface stockpiles of kimberlite have been processed through the on-site dense media separator plant and the diamonds recovered at a third party laboratory.

The fifth set of diamond results from Phase 3 of the underground bulk sampling of the Star Kimberlite were announced in March of 2007, with diamond recoveries totaling 678.56 carats from 5,443.77 dry tonnes processed.

As of May 1, 2007 the two large diameter (“LD”) drill rigs had returned to the Star Diamond Project to complete the approximate 25 remaining LD holes required to estimate a Mineral Resource as defined by National Instrument 43-101. The Star Diamond Project’s LD drill program had been deferred temporarily while certain LD holes were completed on the FALC-JV Orion Cluster to help define the next phase of work on these bodies.

According to the current schedule, and assuming the results from the remaining samples are positive, management anticipates that a Mineral Resource estimate may be available for the Star Kimberlite in early to mid 2008 and that the work required for converting the Mineral Resource to a Mineral Reserve is expected to be achieved by mid to late 2008.

FALC-JV Exploration Programs

Initial diamond results from the first nine of the twenty LD drill holes at Orion North were announced in April of 2007. Diamonds totaling 100.03 carats were recovered from the processing of 3,403.65 tonnes of kimberlite from the nine LD holes reported. These preliminary results for Orion North also suggests the presence of significant macrodiamond grades at depth in Orion North, which are similar to the initial results from the first 24-inch LD hole drilled approximately 30 metres from the shaft in the Star Kimberlite during 2001. The limited, widely spaced, small samples from the LD drilling in the five different Early Joli Fou age kimberlite lithologies provides an early indication of the presence of macrodiamonds in Orion North. Diamond results from the remaining eleven LD drill holes of Orion North will be published as soon as they are available.

In April of 2007, a four-hole LD drilling program was completed on Orion South. A total of 1,017.20 metres of drilling was completed with kimberlite intersections totaling 594.71 metres for mini-bulk sample processing. The Orion South LD holes targeted significant intersections (plus 100 metres) of the Pense Kimberlite that accounts for a substantial proportion of Orion South. The previous macrodiamonds recovered to date (from the previous 24 LD drilling holes drilled between 2000 and 2004) were from the Early Joli Fou lithology, requiring further samples to be extracted from the Pense lithology. The Pense lithology has been estimated to make up approximately 30 percent (112 – 124 million tonnes) of the total 360 – 400 million tonnes of kimberlite estimated in Orion South.

Pending a decision to commence an underground bulk sample program, the Company is poised to begin the sinking of a shaft on one of the kimberlites within the Orion Cluster. This will result in the drilling of a shaft freeze-wall in the overburden which is expected to commence in the second quarter of 2007.

Buffalo Hills Diamond Property

Subsequent to March 31, 2007, Shore and Diamondex Resources Ltd. (“Diamondex”) entered into an agreement to give them the right to purchase Ashton Mining of Canada Inc.’s (a wholly owned subsidiary of Stornoway Diamond Corporation) interest in the Buffalo Hills property in northern Alberta for a total consideration of \$17.5 million. The agreement provides that Shore and Diamondex will pay \$8.75 million and \$6.75 million respectively in cash, with Diamondex paying a further \$2.5 million in the form of common shares of Diamondex. The Buffalo Hills Project is presently a joint venture with Ashton Diamonds Canada Inc. (“Ashton”) (a wholly owned subsidiary of Ashton Mining of Canada Inc.), EnCana Corporation and Pure Diamonds Exploration Inc. of which Ashton is the Operator.

The Buffalo Hills Project area, located approximately 400 kilometres north northwest of Edmonton, is the third largest known district of significant diamond-bearing kimberlites in Canada after Lac de Gras in the Northwest Territories and Fort à la Corne in Saskatchewan. Shore and Diamondex believe the kimberlites in the Buffalo Hills region show the characteristic large tonnage, low grade and attractive diamond populations found in other regions that have either delivered significant economic rewards or are presently the subject of advanced exploration. From the information reviewed to date, similarities to the Company's more advanced projects in central Saskatchewan are evident. While Shore's primary focus will continue to be the Fort à la Corne region in Saskatchewan, the Company sees an opportunity to benefit from its association with Diamondex and their operatorship of Buffalo Hills.

Quarterly Results

For the quarter ended March 31, 2007, the Company recorded a net loss of \$4.2 million or \$0.02 per share compared to net income of \$0.4 million or \$0.00 per share for the same period in 2006. The net loss is primarily due to the fair value of stock-based compensation expensed during the quarter (\$4.2 million). Without the fair value of stock-based compensation, the Company's revenues would have been equivalent to expenses. The Company generated lower interest income for the first quarter of 2007 compared to the same period in 2006 which was the result of having less cash on hand after spending over \$150 million on acquisitions (17.755% acquisition of FALC-JV for \$77.1 million) and exploration projects (\$78.6 million exploring Star and the FALC-JV) in the Fort à la Corne region during the previous year.

Selected financial highlights include:

Consolidated Balance Sheets	As at March 31, 2007	As at Dec 31, 2006
Current assets	\$ 113.0 M	\$ 130.0 M
Capital and other assets	671.7 M	657.5 M
Current liabilities	7.2 M	11.9 M
Future income tax and other long-term liabilities	117.7 M	117.5 M
Share capital	736.4 M	733.5 M
Contributed surplus	22.2 M	19.2 M
Deficit	98.8 M	94.6 M

Consolidated Statements of Income (Loss)	For the Quarter Ended March 31, 2007	For the Quarter Ended March 31, 2006
Interest Income	\$ 1.3 M	\$ 2.1 M
Operating Expenses	5.3 M	1.4 M
Income (loss) before income taxes	(4.0) M	0.7 M
Net and comprehensive income (loss) for the period	(4.2) M	0.4 M
Income (loss) per share	(0.02)	0.00

Consolidated Statements of Cash Flows	For the Quarter Ended March 31, 2007	For the Quarter Ended March 31, 2006
Cash flows from operating activities	\$ (0.2) M	\$ 1.2 M
Cash flows from investing activities	7.4 M	(20.1) M
Cash flows from financing activities	1.0 M	4.7 M
Net increase (decrease) in cash	8.2 M	(14.2) M
Cash and cash equivalents, end of period	72.9 M	247.5 M

Outlook

As at May 7, 2007, the Company had approximately \$100 million in cash and cash equivalents and short-term investments. These funds will be used to complete the advanced exploration program on the Star Kimberlite Property, to fund the Company's portion of the FALC-JV exploration programs and to finance the proposed Buffalo Hills acquisition. The advanced exploration program of the Star Kimberlite Property will be conducted in order to determine the project's viability under current economic conditions. This will entail the collection of additional exploration information, such as geological, geotechnical, geometallurgical, geochemical, assaying and other relevant information to delineate and define the Star Kimberlite, with a sufficient level of confidence, to estimate a Mineral Resource conforming to National Instrument 43-101 and Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") standards. Based on current timelines the Company anticipates a Mineral Resource estimate to be defined by early to mid 2008, followed by a Mineral Reserve and a bankable feasibility study. The FALC-JV has similar objectives; however, based on the stage of current exploration programs a Mineral Resource estimate would not likely be available until approximately 2010 or later. Should the closing of the Buffalo Hills acquisition proceed as planned, a meeting of the joint venture participants will occur in the not too distant future to set exploration plans for this project.

Caution Regarding Forward-looking Information

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 Securities legislation in Canada 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 nature are intended to identify forward-looking statements. In particular, statements regarding Shore's future operations, future exploration and development activities or the anticipated results of Shore's advanced exploration study 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 partner; 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:

Mr. Kenneth MacNeill
Chief Executive Officer and President
300 – 224 4th Avenue South
Saskatoon, SK S7K 5M5
PH: (306) 664-2202
FAX: (306) 664-7181

OR

Mr. Harvey Bay
Chief Financial Officer and
Chief Operating Officer
300 – 224 4th Avenue South
Saskatoon, SK S7K 5M5
PH: (306) 664-2202
FAX: (306) 664-7181