



**NEWS RELEASE**

**Stock Symbol: SGF: TSX**

**August 10, 2012**

**Saskatoon, Saskatchewan**

**STAR - ORION SOUTH DIAMOND PROJECT  
REVISED EIS SUBMITTED TO PROVINCIAL AND FEDERAL REVIEW AGENCIES**

George H. Read, P. Geo., Senior Vice President Exploration and Development of Shore Gold Inc. (“Shore” or the “Company”) is pleased to announce that the Revised Environmental Impact Statement (“EIS”) for the Star - Orion South Diamond Project (“the Project”) has been submitted to the Saskatchewan Ministry of Environment (“Ministry”) and the Canadian Environmental Assessment Agency (“CEAA”). The Ministry is the lead agency on behalf of the Province and the CEAA is the lead agency for the Federal government, which are jointly conducting the environmental assessment of the Project.

The original Draft EIS, submitted to the Ministry and the CEAA in December 2010, was based on the Star – Orion South Diamond Project Pre-Feasibility Study (“PFS”), which was published in March 2010. This Draft EIS generated 319 review comments and information requests from Federal and Provincial agencies, and 483 review comments and information requests from Aboriginal groups. In addition, the Revised EIS is based on the Feasibility Study of the Star – Orion South Diamond Project (“FS”), published August 2011, and incorporates responses to all the review comments and information requests. The Revised EIS includes comprehensive Traditional Land Use information generated as a consequence of Information Gathering Agreements signed with nine Aboriginal groups with an expressed interest in the Project.

Shore and AMEC Environment and Infrastructure (“AMEC”) have jointly prepared the Revised EIS and includes an updated groundwater model that has been developed using pump testing information collected from the prototype dewatering well drilled between Star and Orion South, as recommended by the PFS. Shore has conducted extensive discussions with the Federal government over the last 12 months regarding the appropriate application of the Fisheries Act to the Project, given that there are currently no specific regulations in place for diamond mines. The Revised EIS includes detailed discussion of the Fisheries Act and its application to the Project.

Senior Vice President Exploration and Development, George Read, states: “The submission of the Revised EIS marks the achievement of another major milestone on the route to the development of a world-class diamond mine in Saskatchewan. The Revised EIS is a substantial document that represents a huge amount of work and includes over 10,500 pages of information. The completion of the Revised EIS proved to be a substantial amount of work and the Shore and AMEC staff are complemented on their diligent completion of this task. Shore is presently focused on the completion of all Federal and Provincial requirements for Project approval and subsequent permitting. Simultaneous to the ongoing completion of Project approval and permitting, Shore is in pursuit of development capital on a number of fronts.”

The Revised EIS will be released for public comment by the Saskatchewan Ministry of Environment once the document has been reviewed. The Executive Summary of the Revised EIS can be viewed on the company's website: [www.shoregold.com](http://www.shoregold.com).

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

This news release contains forward-looking statements as defined by 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 press release include, but are not limited to, assumptions that environmental approval will be attained, assumptions that financing will be secured, assumptions that the Star-Orion South Diamond Project economics will be positive as indicated in the Feasibility Study, and assumptions made respecting diamond price increases resulting from long-term supply/demand fundamentals.

These forward-looking statements are based on Shore's current beliefs as well as assumptions made by and information currently available to it and involve inherent risks and uncertainties, both general and specific.

Risks exist that forward-looking statements will not be achieved due to a number of factors including, but not limited to, developments in world diamond markets, changes in diamond prices, 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, development, closure, 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. Shore's anticipation of and success in managing the foregoing risks could cause actual results to differ materially from what is anticipated in such forward-looking statements.

Although management considers the assumptions contained in forward-looking statements to be reasonable based on information currently available to it, those assumptions may prove to be incorrect. When making decisions with respect to Shore, investors and others should not place undue reliance on these statements and should carefully consider the foregoing factors and other uncertainties and potential events. Unless required by applicable securities law, Shore does not undertake to update any forward-looking statement that is made herein.

For further information please contact:

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