



NEWS RELEASE

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**FORT A LA CORNE JOINT VENTURE: ORION SOUTH NI 43-101 MINERAL RESOURCE
INDICATED: 84 MILLION TONNES AND 12 MILLION CARATS
INFERRED: 98 MILLION TONNES AND 13 MILLION CARATS**

George H. Read, P. Geo., Senior Vice President Exploration and Development, is pleased to announce the NI 43-101 compliant Mineral Resource estimate for the explored portion of the Orion South Kimberlite (“OS”), which is located at the southern end of the Orion Kimberlite Cluster within the Fort a la Corne Joint Venture (“FALC-JV”: 60 percent Shore Gold Inc. (“Shore”) and 40 percent Newmont Mining Corporation of Canada Limited (“Newmont”). This resource estimate has been prepared by an independent Qualified Person (“QP”) from P&E Mining Consultants Inc. (“P&E”). The Mineral Resource estimate includes Indicated Resources of 84 million tonnes at a grade of 13.83 carats per hundred tonnes (“cph”) and Inferred Resources of 98 million tonnes at a grade of 12.83 cph. Table 1 summarizes the details of the NI 43-101 Mineral Resource as prepared by P&E. The lower proportion of Indicated Resources of overall tonnes reported at OS, when compared to the Star Kimberlite, is due to a significantly smaller underground bulk sample when compared to the Star Kimberlite (23,468 tonnes from OS versus 75,436 tonnes from Star) and a smaller large diameter drilling (LDD) program at OS (62 holes on OS versus 96 holes on Star).

Table 1. Mineral Resource Estimate for the Orion South Kimberlite. Reported Kimberlite Units: Cantuar, Pense, Early Joli Fou (EJF), Mid Joli Fou (MJF), Viking, Late Joli Fou (LJF) and a Mixed Sediment and Kimberlite unit at the interface of the Pense and EJF

Resource Category	Kimberlite Unit	Tonnes x 1000	Grade cph	Carats x 1000
Indicated	Cantuar	0	0.00	0
Indicated	EJF Inner	43,912	18.29	8,033
Indicated	EJF Outer	12,872	11.03	1,419
Indicated	Pense Inner	27,026	7.92	2,140
Indicated	Pense Outer	0	0.00	0
Indicated	Mixed Sediments & Kimberlite	0	0.00	0
Indicated	Viking	0	0.00	0
Indicated	LJF	0	0.00	0
Indicated	TOTAL	83,810	13.83	11,592
Inferred	Cantuar	51	4.85	2
Inferred	EJF Inner	32,731	19.46	6,368
Inferred	EJF Outer	43,075	10.13	4,362
Inferred	Pense Inner	15,458	8.77	1,356
Inferred	Pense Outer	1,034	6.39	66
Inferred	Mixed Sediment & Kimberlite	83	7.35	6
Inferred	Viking	231	9.87	23
Inferred	LJF	5,371	7.40	398
Inferred	TOTAL	98,035	12.83	12,582

Table Notes

- (1) Mineral resources are accumulated within an optimized floating-cone pit shell.
- (2) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues.
- (3) The quantity and grade of reported inferred resources in this estimate is conceptual in nature. There is no guarantee that all or any part of the mineral resource will be converted into a mineral reserve.
- (4) 1 millimetre bottom diamond size cut-off assumed.
- (5) Resources are reported at a C\$4.94 cut-off.

The OS Kimberlite is one of the largest diamond bearing kimberlites in the world, with a surface area totalling some 403 hectares, situated within the FALC-JV claims. The Mineral Resource estimate prepared by P&E includes kimberlite volume, density and tonnage data collected during the surface drilling programs comprising 149 core holes (15,517 metres of kimberlite), and 62 LDD holes (7,920 metres of kimberlite), diamond and tonnage data from underground bulk sampling (23,468 dry tonnes, 2,346 carats and 15,248 stones) and diamond and tonnage data from the mini-bulk samples recovered from the LDD program on Orion South (62 holes, 9,580 processed tonnes, 1,039.67 carats and 10,356 stones). This resource estimate uses a 1.0 millimetre bottom diamond size cut-off and considers all kimberlite above 20 metres above sea level or to a depth of approximately 430 metres below surface.

The Inner (vent proximal) and Outer (vent distal) Kimberlite Units of the EJF and Pense are based on detailed kimberlite geology recorded from core logging of the pattern drill program. Core logging information is combined with whole rock geochemistry data, geophysical and density measurements to identify the constituent kimberlite lithologies within OS and their volcanological features that form the OS Kimberlite crater. The EJF and Pense Inner Kimberlite Units represent coarser grained EJF and Pense Kimberlite that occurs within the volcanic cinder cone and the EJF and Pense Outer Kimberlite Unit include finer grained EJF and Pense Kimberlite that lies on and outside the cinder cone. Underground bulk sampling and LDD have shown that higher grades and larger diamonds are found within the EJF and Pense Inner Kimberlite Units. The underground bulk sampling of the EJF is deemed representative of the EJF Inner Kimberlite Unit.

An essential component of the Mineral Resource estimate relies on the reconciliation of the diamond grades from the underground samples with those calculated for the LDD samples. The LDD sampling method underestimates the true diamond grade and price due to limited sample size, diamond breakage, diamond loss and dilution of LDD grade by overburden falling down LDD holes. Detailed analysis of diamond results from LDD and underground bulk sampling has been undertaken, and reconciled with kimberlite geology, defined by core drilling, in order to define rigorously constrained factors that are applied to diamond grade results from LDD.

CIM standards and securities commission disclosure regulations require that a resource can only be declared on a mineral deposit which has “reasonable prospects of economic extraction”. The reported mineral resource for OS is constrained using an optimized floating-cone pit shell. The Mineral Resources reported in Table 1 comprise the kimberlite that is constrained within the floating-cone pit shell and exceeds the economic cut-off as determined by the parameters in Table 2.

Table 2. Economic Parameters

Exchange Rate	C\$1.00 = US\$0.85
Stripping Cost	C\$1.00/tonne
Mining Cost	C\$1.60/rock tonne
Processing Cost	C\$3.29/ore tonne
General & Administration	C\$1.65/ore tonne
Overall Pit Slope Angle	25°
Internal Cut-off	C\$4.94/ore tonne

Diamond prices used in this resource statement are based on a valuation by WWW International Diamond Consultants Ltd. (“WWW”) using their March 2008 price book. The High scenario modeled prices determined by WWW are used in the Resource estimate and are detailed in Table 3. High scenario modeled prices for the Star deposit were also used in the February 2009 resource estimate and the August 2009 reserve estimate for the Star Kimberlite and the use of the High scenario modeled prices in this OS resource estimate facilitates comparison.

WWW estimates that diamond prices are presently approximately 10 to 15 percent lower than March 2008 levels. P&E have utilized the WWW diamond valuations based on March 2008 prices and, although diamond prices have since dropped by 10 to 15 percent, changes in the Canadian \$/US \$ exchange rate of some 15 percent in favour of project economics have occurred since March 2008, thereby supporting the use of the March 2008 High diamond price valuation.

Table 3. Diamond Prices

Kimberlite Lithology	Carats	Parcel Price (US\$/carat)	Model Price (US\$/carat)	Minimum Price (US\$/carat)	High Price (US\$/carat)
EJF	1,400.38	\$98	\$121	\$100	\$166
Pense	581.93	\$57	\$109	\$91	\$123

As a test of the sensitivity of the OS resource to market fluctuations, the resource model was also run within the pit shell using the WWW Minimum and Model price scenarios. The results suggest that the OS resource is relatively insensitive to moderate diamond price fluctuations. The variations in tonnes, grade and carats for the three WWW diamond price scenarios are listed in Table 4.

Table 4. Diamond Price Sensitivity at a C\$4.94 cut-off

Scenario	Class	Million Tonnes	Grade (cpht)	Million Carats
Minimum	Indicated	76.8	14.7	11.3
	Inferred	86.3	14.0	12.1
Model	Indicated	80.9	14.2	11.5
	Inferred	93.5	13.2	12.4
High	Indicated	83.8	13.8	11.6
	Inferred	98.0	12.8	12.6

In addition to the Mineral Resource estimate determined by P&E, a further 90 to 100 million tonnes of the OS Kimberlite is designated a ‘potential mineral deposit’ by Shore, as detailed core logging, whole rock geochemistry, geophysical and density measurements confirm the geological continuity of kimberlite material from the Inferred Resource into this part of the kimberlite, which is contained within the 333 million tonnes originally defined in the geological model for the OS Kimberlite (Shore News Release October 21, 2008). The 90 to 100 million tonne potential mineral deposit is conceptual in nature and is not a resource estimate. It is uncertain if additional exploration work will lead to the kimberlite presently included in the potential mineral deposit being upgraded to a resource category.

Senior Vice President Exploration and Development, George Read, states: “This NI 43-101 Mineral Resource estimate for the OS Kimberlite proves the potential of the FALC-JV to contain diamondiferous kimberlites of substantial value. Shore has recently shown that an economic diamond mine with the world’s largest diamond processing plant (40,000 tonnes per day) is feasible at the Star Kimberlite (Shore News Release August 27, 2009) and any additional resources estimated within the FALC-JV will significantly augment the economics of a diamond mine.”

Shore commissioned the NI 43-101 Mineral Resource estimate and related Technical Report for the Orion South property and, as such, the Technical Report is the sole responsibility of Shore. Newmont did not participate in the preparation, supervision or review of the work associated with this exercise and takes no responsibility for the content or information included in the Technical Report or this press release.

Shore anticipates publication of the Technical Report as soon as it is available, within the regulated 45 day period after this news release. Shore is the operator of the FALC-JV, which is held by the Fort a La Corne Joint Venture between Shore as the operator and 60 percent owner and Newmont as the owner of a 40 percent interest.

Mr. Fred Brown CPG, PrSciNat, of P&E is the independent Qualified Person who was responsible for the Orion South Kimberlite Resource estimate. Mr. Brown, a Certified Professional Geologist (#11015) with the American Institute of Professional Geologists and a registered Professional Natural Scientist with the South African Council for Natural Scientific Professions (#400008/04), has over 21 years of worldwide experience in mining resource and reserve assessments and related work and has worked on diamond mines in southern Africa for De Beers. His specialties include resource estimation, ore deposit modeling, due diligence reviews, project evaluation, mining geology, geostatistical studies and preparation of NI 43-101 reports. He is regarded as one of the leading authorities in diamond resource evaluation and diamond geostatistics. P&E Mining Consultants Inc. is an established and internationally recognized geological and mine engineering consulting firm specializing in resource estimates, scoping, pre-feasibility studies and participation with other consulting firms on feasibility studies, with over 70 projects undertaken in the last 5 years. P&E has Certificates of Authorization from the Association of Professional Geoscientists of Ontario and

Professional Engineers Ontario and the Association of Professional Engineers and Geoscientists of Saskatchewan. Mr. Eugene Puritch, P.Eng. (Haileybury School of Mines, Queen's University), a principal of P&E Mining Consultants Inc., who supervised the preparation of the Mineral Resource estimate for the Orion South Kimberlite, has more than 30 years experience in mine evaluation and resource estimating for some of Canada's largest mining companies. He has undertaken more than 120 resource estimates and mine designs in his career, many of which formed the basis for feasibility studies and subsequent production decisions. Prior to co-founding P&E, Mr. Puritch was regularly under contract to provide his services to Micon International Ltd., Aker Solutions Canada Inc., A.C.A. Howe International Ltd. and Strathcona Mineral Services. Dr. Wayne Ewert, P.Geo. (PhD, Geology, Carleton University, Ottawa, Canada and B.Sc. University of Waterloo, Canada) a principal of P&E, has over 40 years of worldwide experience in diversified exploration, project evaluation and resource based geological modeling. He has over 18 years of international consulting experience in support of project acquisitions and related financing activities. His experience includes involvement with the evaluation and assessment of diamond projects in Lesotho and South Africa on behalf of A.C.A. Howe International. P&E consents to the statement of mineral resources contained herein.

Senior Vice President Exploration and Development, George Read, Professional Geoscientist in the Provinces of Saskatchewan and British Columbia, is Shore's 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

This news release contains forward-looking statements as defined by certain securities laws, including the "safe harbour" provisions of the Ontario Securities Act and the United States Private Securities Litigation Reform Act of 1995. 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, and, in particular, statements regarding Shore's future operations, future exploration and development activities or other development plans containing forward-looking statements.

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

Risks exist that predictions, forecasts, projections and other 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 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. 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 may be made.

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