



Shore Gold Inc.

Exploring Saskatchewan's
Diamond Resources

THE STAR EXPLORER

March 15, 2008

Introduction

Welcome to the first edition of the Shore Gold newsletter! It is our aim to inform all interested parties of the progress being made in the Fort à la Corne diamond district. Shore Gold looks forward to the continued support from all communities surrounding the largest diamond exploration project in Saskatchewan history.

Issue 1 Volume 1

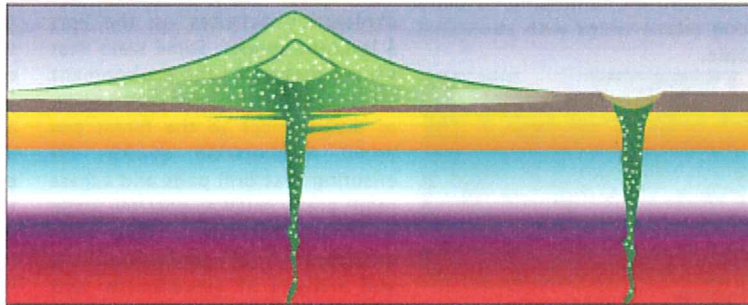
2008 Star Project Forecast

- * Resource Estimate to be announced 1st quarter
- * Reserve Definition to be announced 2nd quarter
- * Bankable Feasibility Study completed 4th quarter
- * Annual Report to be released 2nd quarter
- * Annual General Meeting May 28, Sheraton Cavalier, Saskatoon



Origin of Kimberlite in Saskatchewan

Kimberlite ore bodies are created by volcanic eruption. Approximately one hundred million years ago active volcanoes dotted the landscape of central Saskatchewan. A series of eruptions brought to the surface enormous volumes of lava from the mantle 200 kilometers within the earth. As the lava was rapidly forced to the surface, it brought with it a variety of materials; including diamonds. Diamonds are one of the oldest known substances on earth, dating back some 3.5 billion years.



Preserved diamond bearing kimberlite (left)

Eroded kimberlite pipe (right)

why the Fort à la Corne diamond district contains the largest volumes of kimberlite discovered on earth.

quality of the diamonds (\$170/carat) combined with the low cost of mining in Saskatchewan and the Fort à la Corne diamond district offers a potentially viable mining venture.



Star Diamond Project rough stones

Geological conditions in Saskatchewan at the time of the volcanic eruptions (Late Cretaceous, approximately 100 million years ago) were perfect for the preservation of the kimberlite lava flows. An inland sea that covered most of central Canada acted as a protective blanket as it laid down layer after layer of sediment, preserving and concealing massive amounts of kimberlite that had erupted from several volcanoes.

Typically, over millions of years, kimberlites are subject to weathering and erosion at surface leaving only the carrot-shaped vent below. Saskatchewan's kimberlites are mostly intact under layers of sand and mudstone which is the reason

Saskatchewan's Diamond Deposit Characteristics

When determining an economic diamond deposit, three fundamental characteristics must be considered: (1) total tonnage of kimberlite; (2) number of carats per hundred tonne (grade); and (3) price per carat.

The Fort à la Corne kimberlites contain the highest tonnage of any known kimberlite bodies. The grade of these kimberlites is relatively low,



Cut and polished stones from Star

yet because of the enormous tonnage the number of carats within is high. Add to this equation the excellent

Project Updates

Exploration Methods

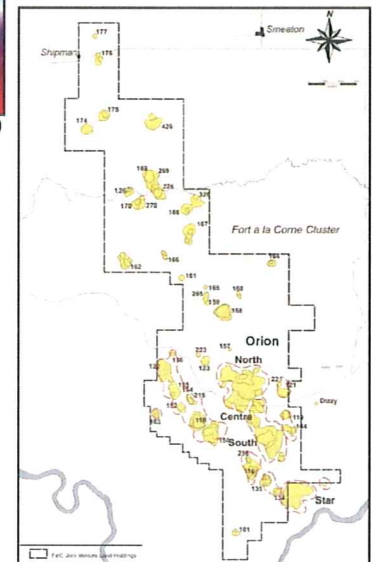
The Shore Gold exploration and development team, headed by Sr. Vice-President of Exploration and Development, George Read, and Vice-President of Exploration, Pieter



Bauer 1.2 metre large diameter drill

Du Plessis, continues to work on the largest diamond exploration and development project in North America. Methods employed on the 100% Shore Gold owned Star Diamond Project will be used on the Joint Venture deposits, 60% Shore

Gold Inc./40% Newmont Mining Corp Canada. A combination of pattern core drilling, large diameter drilling and underground bulk sampling on the Orion South section of the Joint Venture property will be the main focus of 2008.



Fort à la Corne diamond district

To achieve a 65,000 tonne bulk sample and accurately determine diamond grades on Orion South, a shaft has been constructed and drifting tunnels have been mapped at a depth of 180 metres.

The data gathered from the bulk sample will contribute to the assessment in an effort to determine a Resource Estimate for Orion South by the end of 2009.

Community Relations Diamond Development Advisory Committee

Shore Gold works very hard to keep in

touch with local communities about various activities related to its projects. The Company developed a list of stakeholders and invited representatives to a meeting in Melfort on January 30, 2007. It was here the Diamond Development Advisory Committee (DDAC) was formed.



Julia Ewing, Director, Community Relations in consultation with Eric Cline, VP, Corporate Affairs

The mandate of the DDAC is to be an effective and trusted liaison between the Company and communities potentially impacted by Shore's current and future activities. Seven meetings were held throughout 2007 at different communities in the district in addition to one meeting at the Star Diamond Project site. At the January 2008 meeting in Meath Park, the executive was reinstated for another year and a vote taken to continue the mandate of the DDAC.

The DDAC has representation from all the local communities (urban and municipal representatives) including elected Metis Nation representation (Metis Nation Eastern Region II and Metis Nation Western Region II). Neighbouring First Nations are welcome and a member from the Fort à la Corne Development Corporation (FCDC), the economic development arm of the James Smith Cree Nation, attends these meetings. The FCDC also serves as the Diamond Liaison Office for First Nations and in that capacity provides representation to the DDAC.

Employment and Business Development

Shore is committed to local hiring and contracting providing this can be done on competitive terms. Employees will be hired and services procured outside the community when local opportunities are not reasonably available, or when needs cannot be met through local sources.

First Nations and Metis Communities

The James Smith First Nation is directly south of Shore's operations

and the Muskoday First Nation is the next closest. We seek regular contact with First Nations. Throughout 2007, Shore's community relations liaison consultant and the Director, Corporate Affairs had regular contact with band members and band employees of the James Smith and Muskoday First Nations as well as Shore employees and potential service providers who are members of those First Nations. We have met regularly with representatives from Metis Nation Eastern Region II and Metis Nation Western Region II. As of December 2007, Shore has both a permanent Director, Community Relations and a Vice-President, Corporate Affairs, each of whom are focused on continuing to build strong relationships with aboriginal people.



Drill operator

2008 Forecast

We want to keep in touch throughout 2008. Shore is undertaking a number of activities that require stakeholder input. Shore representatives will travel to communities to provide information about ongoing exploration activities, surface lease and environmental impact statement applications. Shore will work closely with communities to jointly determine the best presentation format for them. Community presentations will provide a forum for information sharing along with discussion of anticipated impacts and benefits. Information about dates and locations will be provided through local media outlets. In recognition of the unique position of aboriginal people in Canada through their treaty and constitutional rights, Shore will have a specific protocol for engaging First Nations and Metis communities. This will be determined in conjunction with each community. It is also expected that Shore will participate in the provision of information and cooperation to the provincial government as it undertakes and fulfills its duty to consult with aboriginal people. For more information, please contact Julia Ewing, Director, Community Relations at (306) 667-3543.



Angled core drilling for the protection of ravine environment

Environment

Shore Gold is committed to protecting the environment and minimizing the effects of our exploration activities on the Fort à la Corne forest. Some ways that we are protecting the environment include: (1) progressive reclamation of disturbances so the forest can begin regeneration quickly; (2) ensuring that drill pads and access roads are as small as possible while not compromising a safe work environment; (3) regular sampling and analysis of groundwater and surface water; (4) recycling (water, paper, wood and metal) whenever possible; and (5) proper storage and disposal or recycling of used oil and other hazardous materials.

Shore is also collecting environmental baseline data in the forest, including studies of air quality, soil, vegetation, wildlife, surface water, groundwater, archeology, fish and fish habitat.

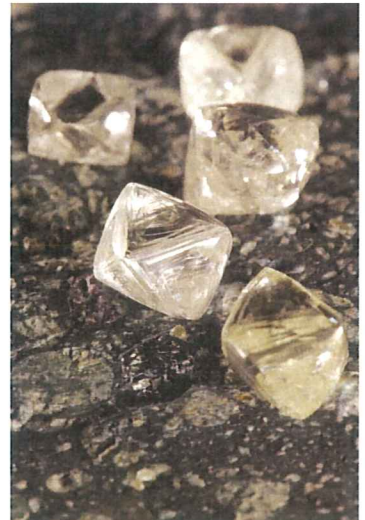
What is progressive reclamation?

Progressive reclamation is a strategy that minimizes disturbances to the forest at any one time. The concept is to reclaim any disturbances made as soon as possible, and reclaim an equal area 'old' disturbance whenever a 'new' disturbance is created. The intent of reclamation is to create a hospitable environment so that a natural forest can regenerate without special management.

To reclaim a drill pad, Shore first replaces salvaged topsoil, then rolls back vegetation and logging debris over the site. The topsoil layer contains native seeds and roots that can restore the under-story species and contains most of the nutrients. For the tree species, Shore uses natural re-vegetation, taking advantage of the naturally occurring seeds in the

slash. The jack pine forest is adapted to frequent forest fires, and jack pine cones require high temperatures to open up and release seeds. In addition, jack pine seedlings prefer to germinate on exposed mineral soil. Direct sun shining on the pine cones is enough to release the seeds, and reclamation creates a good balance of nutrients and germination sites. In time, small pine seedlings establish and start to grow. Shore revisits these reclaimed sites to make sure that the young forest is continuing to grow and is in constant communication with the Saskatchewan Ministry of Environment to make sure we are on track. In future editions of the newsletter, Shore intends to provide updates and additional information on any topics of interest.

Star Diamond Project rough stones



For further information about Shore Gold Inc. and its exploration projects, feel free to contact our office at (306) 664-2202 or visit our website at www.shoregold.com