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SHORE GOLD INC.

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**STAR DIAMOND PROJECT: INITIAL LDD DIAMOND RESULTS
10.05, 6.20, 4.82 AND 2.99 CARAT DIAMONDS IN 266 CARAT PARCEL**

George H. Read, P. Geo., Senior Vice President Exploration and Development, is pleased to announce the first set of diamond results for the Early Joli Fou (EJF) Kimberlite sampled in 15 holes of a planned total of 60 holes of large diameter drilling (LDD), which forms part of the prefeasibility study currently underway on the Star Diamond Project. Diamonds totaling 266.33 carats were recovered from the processing of 2,249.03 dry tonnes of EJF Kimberlite from the 15 LDD holes reported. The total diamond recoveries from the EJF intersection in each LDD hole are listed in Table 1. Ninety-nine percent of these diamonds are commercial stones greater than 1.18 millimetre (2,353 diamonds weighing 263.93 carats) with the balance of the goods (142 diamonds weighing 2.40 carats) falling in the +0.85-1.16 millimetre size fraction. The four largest stones are: 10.05 carat white from LDD-011, 6.20 carat off white from LDD-008, 4.82 carat white from LDD-005 and a 2.99 carat off white from LDD-006. Thirty-five diamonds exceed one carat of which 21 are white, 7 off white, 4 grey and 3 brown. The colour of 73 percent of the diamonds has been classified as white, with a further 11 percent classified as off-white. One pink, one yellow and one amber stone were also recovered.

Table 1: Diamond Recoveries, Grade (carats per hundred tonnes) and Stones per Tonne for each LDD Hole

LDD Hole #	EJF Tonnes	Total Carats	Total Stones	Cpht	Stones per Tonne
LDD-002	50.03	4.83	56	9.65	1.12
LDD-003	60.72	1.69	26	2.78	0.43
LDD-004	123.32	16.71	151	13.55	1.22
LDD-005	247.33	23.96	212	9.69	0.86
LDD-006	193.48	25.72	193	13.29	1.00
LDD-007	113.43	7.75	100	6.83	0.88
LDD-008	203.17	27.83	205	13.70	1.01
LDD-009	97.71	18.14	163	18.57	1.67
LDD-011	91.89	19.05	90	20.73	0.98
LDD-013	218.95	32.47	304	14.83	1.39
LDD-014	183.17	26.23	257	14.32	1.4
LDD-015	180.24	18.61	183	10.33	1.02
LDD-016	126.97	16.54	215	13.03	1.69
LDD-017	185.39	17.42	216	9.40	1.17
LDD-018	173.23	9.38	124	5.41	0.72
TOTAL	2,249.03	266.33	2,495	11.84	1.11

Senior Vice President Exploration and Development, George Read, states: “These initial LDD results confirm the lateral continuity of both the grade and stone size, within the EJF, away from the shaft. These diamond recoveries are comparable to those from the underground bulk samples and confirm that the large diameter drilling, using Bauer rigs to drill 1.2 metre diameter holes, is a successful sampling method for these large, lower grade kimberlites of the Fort a la Corne field. By comparison, when an initial 2,200 tonnes of EJF had been sampled from the underground workings the average grade was 11.36 cpht, whereas the average grade determined from the initial 2,249 tonnes from the LDD program is 11.84 cpht. The grade and coarse size distribution of the diamonds in the EJF requires a large sample to achieve a sufficient level of confidence in the overall average grade and stone density. The small mini-bulk samples collected by the LDD tend to underestimate the grade, until a sufficiently large

sample has been recovered from a particular kimberlite type, such as the EJF. The LDD sample results to date are in line with Shore geologists' expectations for this sample size and compare favorably with a similar size underground bulk sample from the EJF. The progression of grade recoveries from the EJF in the Star underground bulk sample over time is shown in Table 2 below."

Table 2: Star Underground EJF Kimberlite Bulk Sample Cumulative Tonnage and Grade (cpht)

EJF Bulk Sample Tonnage	Cumulative average grade (cpht)	Percentage of EJF bulk sample grade
987	7.74	44 %
2,200	11.36	64 %
2,924	12.08	68 %
7,570	15.37	86 %
10,176	16.86	95 %
28,490	17.79	100 %

Large diameter holes (1.2 metre diameter) are drilled using two Bauer BG36 drill rigs, which use Kelly-bar drilling for the till and mudstone overburden and switch to reverse circulation drilling when kimberlite is intersected. The LDD holes are drilled on the same grid as the prefeasibility core drilling and the LDD holes are sited within three metres of an existing core hole that has been logged in detail. The subsurface geology of the LDD holes is known from the core drilling and detailed logging and this information is used to define the downhole sample breaks for the LDD. Hole volumes are accurately determined using a caliper and the volume to mass conversion is completed using on-site bulk kimberlite density measurements determined using the water immersion method (EJF average bulk density: 2.2 grams per cubic centimetre). These bulk density measurements are correlated with specific gravity measurements determined by SGS Lakefield Research on the adjacent kimberlite core. The EJF Kimberlite intersections for each large diameter drill hole are listed in Table 3. A map posted on the Shore website (www.shoregold.com) illustrates the location of these LDD holes with respect to the shaft and underground workings. This news release only includes diamond results for the EJF as insufficient volumes of Cantuar, Pense, Mid and Late Joli Fou Kimberlite have been sampled in the holes processed to date. Results associated with the remaining kimberlite types will be made available once representative quantities have been recovered from other planned LDD holes that target these other kimberlite types. The EJF is the dominant kimberlite type within Star and the EJF kimberlite tonnage listed in the table below accounts for approximately 77 percent of the total kimberlite tonnage sampled in these 15 LDD holes. The purpose of the LDD program is to increase the level of confidence concerning the average grade over the entire Star kimberlite.

Table 3: Large Diameter Drill Holes, EJF Kimberlite Intersections and Distance from Shaft

LDD Hole #	EJF From (metres)	EJF To (metres)	EJF (metres)	Distance from Shaft (metres)
LDD-002	156.41	176.41	20.00	390
LDD-003	126.50	146.52	20.02	650
LDD-004	133.75	180.50	46.75	350
LDD-005	138.67	230.81	92.14	350
LDD-006	122.75	216.06	93.31	250
LDD-007	142.50	186.62	44.12	280
LDD-008	126.32	207.95	81.63	230
LDD-009	143.73	186.64	42.91	300
LDD-011	147.44	184.20	36.76	400
LDD-013	144.00	234.70	90.70	200
LDD-014	148.52	230.30	81.78	320
LDD-015	149.42	218.30	68.88	320
LDD-016	147.50	212.60	65.10	400
LDD-017	146.66	223.05	76.39	400
LDD-018	150.58	224.30	73.72	350

Hole LDD-001 was the initial test hole in which four metres of kimberlite was sampled. This material has not been processed. LDD-010 and LDD-012 were failed holes from which no kimberlite was recovered. All LDD samples up to and including hole LDD-028 have been processed through the on-site processing plant and the concentrates shipped to SGS Lakefield in Ontario for final diamond recovery. Holes LDD-034 and LDD-035 are currently being drilled. Drilling efficiency has greatly improved during the program to date.

The diamond recovery procedure includes on-site processing of kimberlite through the modular Dense Media Separator (DMS), after which DMS concentrates are batch fed through an X-ray Flow-sort. In order to ensure the recovery of low luminosity diamonds, the Flow-sort tailings are processed over a grease table. Flow-sort and grease table concentrates are transported by a secure carrier to SGS Lakefield Research for final diamond recovery. The SGS Lakefield Research process includes drying, screening, magnetic separation, manual sorting and diamond weighing and description. SGS Lakefield Research is accredited to the ISO/IEC 17025 standard by the Standards Council of Canada as a testing laboratory for specific tests.

The prefeasibility study on Star, with a budget of approximately \$60 million, is now the largest work program outlined for any of the Fort a la Corne kimberlites. The aim of the prefeasibility study is to define a National Instrument 43-101 compliant Mineral Reserve for the Star Kimberlite. 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 the anticipated results of Shore's pre-feasibility 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 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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