



NEWS RELEASE

**Stock Symbol: SGF: TSX
SHORE GOLD INC.**

**June 27, 2006
Saskatoon, Saskatchewan**

FORT A LA CORNE JOINT VENTURE CORE DRILLING COMMENCES ON ORION CLUSTER

George H. Read, P. Geo., Senior Vice President Exploration and Development, is pleased to announce the commencement of core drilling on the Orion Kimberlite Cluster (133, 140, 141, 145, 147, 148, 219, 220 and 120 - 58,000 metres of drilling) and three additional kimberlites (118,123 and 152 – 5,000 metres) within the Fort a la Corne Joint Venture (FALC-JV) claims. Encore Coring and Drilling Inc. of Calgary has been awarded the drilling contract by De Beers Canada Inc. for this 300 hole PQ (75 millimetre) core drilling program. This 2006 pattern core drilling program on the Orion Cluster is arranged on 200 metre centres with each alternate row offset by 100 metres. The 2006 drillholes have been integrated with, and will augment, previous drilling that has been completed on the Orion Cluster. The first two drill rigs are active on Kimberlite 120, which forms part of Orion North. Recent microdiamond results indicate that the kimberlites of Orion North are highly prospective, particularly Kimberlite 147. By late July Encore is scheduled to have a total of five rigs active within the Orion Cluster.

While De Beers is the operator of the drill program, Shore geologists are responsible for the detailed logging of the core and will apply the same quantitative logging methods to this FALC-JV kimberlite as are used on the Star Diamond Project. Downhole geophysical logging will be completed on all core holes and geotechnical measurements will be made on core samples. Whole rock geochemistry samples will be collected from all kimberlite types represented within each core. Geohydrological measurements and ore dressing test work will be conducted on selected boreholes and core. The aim of the Orion Cluster core drilling is to define the preliminary volume and map the internal structure of the constituent kimberlites.

The 2006 exploration program on the FALC-JV will commence immediately, is scheduled for completion by December 31, 2006 and has an approved budget of \$43.2 million, which will be funded by the FALC-JV Participants in the following split: Kensington Resources Ltd (a wholly owned subsidiary of Shore Gold Inc.) (46.94%), De Beers Canada Inc. (46.94%) and Cameco Corporation (6.12%).

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:

George H. Read, P. Geo., Senior Vice President Exploration and Development or Pieter Du Plessis, Vice President Exploration at (306) 664-2202.

- END -