



NEWS RELEASE

Stock Symbol: SGF: TSX

October 30, 2012

Saskatoon, Saskatchewan

**STAR - ORION SOUTH DIAMOND PROJECT
REVISED EIS COMMENTS RECEIVED FROM
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 comments on the Revised Environmental Impact Statement (“EIS”) for the Star - Orion South Diamond Project (“the Project”) have been received from 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”), and generated a total of 802 comments and information requests from Federal and Provincial agencies and Aboriginal groups. The Revised EIS, based on the Feasibility Study of the Star – Orion South Diamond Project (“FS”), incorporated responses to all the review comments and information requests. The Revised EIS has generated an additional 56 Federal comments and information requests and 73 Provincial comments and information requests. Many of these comments are expected to be addressed by Shore personnel using existing information. A limited number of comments will require further discussion and, potentially, additional work. Shore is actively engaged with the Ministry to resolve the comments from Provincial regulators and continues to work with Federal authorities to resolve their additional comments given that there are no specific regulations in place for diamond mines.

Senior Vice President Exploration and Development, George Read, states: “The limited number of comments and information requests that may require additional work is encouraging. Shore is confident that we are steadily progressing towards a fully compliant and permitted Project. 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 when all comments and information requests have been resolved. The Executive Summary of the Revised EIS can be viewed on the company's website: 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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