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NEWS RELEASE

Stock Symbol: SGF: TSX

**November 9, 2016
Saskatoon, Saskatchewan**

SHORE GOLD ANNOUNCES CLOSING OF PRIVATE PLACEMENT

Shore Gold Inc. (TSX:SGF) ("Shore") is pleased to announce the successful closing today of a \$2.5 million private placement of 9,090,909 Flow-Through Common Shares at a price of \$0.22 per Flow-Through Common Share and 2,500,000 common shares of the Company at a price of \$0.20 per Unit (collectively, the "Offering"). Each Unit consists of one Common Share and one Common Share purchase warrant ("Warrant"). Each Warrant will entitle the holder thereof to purchase one Common Share at a price of \$0.25 for a period of 18 months from the date of issuance.

The proceeds from the sale of the Flow-Through Common Shares will be used by Shore to incur Canadian exploration expenses ("Qualifying Expenditures") prior to December 31, 2017, including qualifying expenditures required for the Updated Feasibility Study on the Star-Orion South Diamond Project. Shore will renounce the Qualifying Expenditures to subscribers of Flow-Through Common Shares for the fiscal year ended December 31, 2016. The net proceeds of the Common Share offering will be used by Shore for general working capital purposes.

The Company will pay certain finders (each a "Finder") cash fees equal to 5% of the gross proceeds raised by such Finder pursuant to the Offering, and will issue such Finder warrants equal to 5% of the number of Flow-Through Common Shares and Common Shares attributable to such Finder pursuant to the Offering (the "Finder's Warrants"). The Company will issue 579,545 in Finder's Warrants in relation to the Placement, exercisable at any time up to 18 months following the closing of the Offering at \$0.22 per share. All securities issued pursuant to the Offering are subject to a four month hold period in accordance with applicable securities laws and exchange regulations. The Offering is subject to TSX acceptance of requisite regulatory filings.

The Star-Orion South Diamond Project is located in central Saskatchewan approximately 60 kilometres east of the city of Prince Albert. The Project is in close proximity to established infrastructure, including paved highways and the electrical power grid, which provide significant advantages for future mine development. The Technical Report on the Revised Resource Estimate for the Star-Orion South Diamond Project dated November 9, 2015 provided an updated Mineral Resource Estimate for the Star and Orion South kimberlite deposits: Indicated Mineral Resource of 393 million tonnes containing 55.4 million carats of diamonds at a weighted average price of US\$210 per carat. In addition to the Indicated Mineral Resource Estimate, the Star and Orion South Kimberlites include Inferred Resources containing 11.5 million carats.

All technical information in this press release has been prepared under the supervision of George Read, Senior Vice-President of Exploration and Development, Professional Geoscientist in the Provinces of Saskatchewan and British Columbia, and Mark Shimell, Project Manager, Professional Geoscientist in the Province of Saskatchewan, who are the Company's "Qualified Persons" under the definition of NI 43-101.

Shore is a Canadian based corporation engaged in the acquisition, exploration and development of mineral properties. Shares of Shore trade on the TSX Exchange under the trading symbol "SGF".

Caution Regarding Forward-Looking Statements

This press release contains "forward-looking statements" and/or "forward-looking information", within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expect", "is expected", "in order to", "is focused on" (a future event), "estimates", "intends", "anticipates", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", or the negative connotation thereof. Forward-looking statements included or implied in this press release include the tax treatment of Flow-Through Shares, the use of the proceeds of the Offering, mineral resource estimates, estimated diamond quantity and estimated diamond value. By their nature, statements referring to mineral reserves and mineral resources constitute 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. 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 partner, the effects of competition in the markets in which Shore operates, the impact of changes in the partners or the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and tax treatment of the Flow-Through Shares.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The Common Shares and the Flow-Through Common Shares will not be and have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

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