



20 Adelaide Street East, Suite 301, Toronto, ON M5C 2T6, Canada

FOR IMMEDIATE RELEASE

TSX Venture Exchange Symbol: SHG

SHIELD GOLD ANNOUNCES NON-BROKERED PRIVATE PLACEMENT

May 23, 2012, Toronto: Shield Gold Inc. (the “**Company**”) is pleased to announce that it intends to complete a non-brokered private placement (the “**Offering**”) of up to \$500,000. The Offering will be made pursuant to exemptions from the prospectus requirements of the applicable securities laws. The Offering will consist of up to \$300,000 of Flow-Through Units (the “**FT Units**”) at a price of \$0.10 per FT Unit and up to \$200,000 of non-flow-through Units (the “**Units**”) at a price of \$0.10 per Unit.

Each FT Unit is composed of one flow-through common share in the capital of the Company and one-half of one common share purchase warrant. Each full warrant comprising the FT Units will entitle the holder to acquire one additional common share at an exercise price of \$0.15 per share for a period of 18 months from the date of issuance.

Each (non-flow-through) Unit is composed of one common share in the capital of the Company and one common share purchase warrant. Each warrant comprising the Units will entitle the holder to acquire one additional common share at an exercise price of \$0.12 per share for a period of 18 months from the date of issuance.

All of the securities issued pursuant to the Offering will be subject to a hold period of four months and one day from the date of closing.

The gross proceeds from the FT Units sold in the Offering will be used for the Company’s exploration programs on its properties in Québec. Detailed information on the Company’s properties is available on the Company’s website at <http://www.shieldgold.com> . The proceeds from the Units will contribute towards the general operational funds of the Company.

Grant of Stock Options: The Company also announces that it is issuing a total of 1.2 million incentive stock options to certain officers, directors and consultants of the Company pursuant to the existing stock option plan of the Company. The term of the options is for 5 years. The exercise price of the options is of \$0.10 per share and the grant of the options is subject to regulatory approval.

About Shield Gold Inc.: Shield Gold is a junior exploration company whose mission is the discovery and development of high quality precious, base metal and mineral resources. The Company has entered into option and joint venture agreements with Eoro Resources Inc. on the Summit-Gaber property and with Virginia Mines Inc. on the La Grande Nord property. The

contiguous properties are located in the La Grande Greenstone Belt in the James Bay region of Québec. The Company has also signed an agreement, subject to regulatory acceptance, to acquire a 100% interest in 22 mining claims in Buckingham Township in south-western Québec.

For more information, please contact:

Howard Sinclair-Jones, President
Tel.: 416-654-1408 Email: hsj@shieldgold.com
Website: <http://www.shieldgold.com>

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.