



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

FOR IMMEDIATE RELEASE

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SHIELD GOLD UPDATE ON GRAPHITE EXPLORATION PROGRAMS

December 05, 2012, Toronto: Shield Gold Inc. (“**Shield**” or the “**Company**”) is pleased to report that it has received and filed a National Instrument (NI) 43-101-Compliant Technical Report pertaining to the Company’s Buckingham Township graphite properties, Outaouais, Québec. The report was prepared by John M. Siriunas, P.Eng.

The report includes the results of airborne geophysical surveys (magnetics, time-domain electromagnetics and spectrometrics) flown recently over the Diamond and Diamond West properties. Shield has an option to earn a 100% interest in the 31 mining claims (over 1,500 ha) that comprise these two properties. The report can be downloaded from SEDAR or from the Company’s website at: www.shieldgold.com.

Expenditure on the properties to date exceeds \$100,000. Shield has accepted the recommendations of the technical report, which proposes further exploration of the Diamond and Diamond West properties, with an initial phase costing \$100,000 followed by a \$150,000 drill program. Shield also expects to complete an airborne geophysical survey over its two graphite exploration properties in Lochaber Township early in 2013.

Shield is also pleased to announce that it has closed on a first tranche of flow-through financing totaling \$100,000. The Company will close on additional tranches before the end of this calendar year. Proceeds will be used to advance the exploration on the Buckingham properties as recommended in the above-mentioned report.

About Shield Gold Inc.: Shield is a junior exploration company whose mission is the discovery and development of high quality precious metal, 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’s graphite exploration programs are located in the Buckingham and Lochaber Townships of southwestern Québec.

The content of this press release has been reviewed and approved by Mr. John M. Siriunas, P.Eng., a Qualified Person as defined by National Instrument 43-101.

For more information, please contact:

Howard Sinclair-Jones, President
Tel.: 416-654-1408
Email: hsj@shieldgold.com

Paul R. Ankcorn, CFO
Tel: 416-414-9171
E-mail: pankcorn@bellnet.ca

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