

*Rio Tinto Exploration Canada Inc.
354 - 200 Granville Street
Vancouver, British Columbia V6C 1S4*

June 30, 2017

Shore Gold Inc. and
Kensington Resources Ltd.
300, 224 – 4th Avenue South
Saskatoon, SK S7K 5M5

Attention: Kenneth MacNeill, Chief Executive Officer

Reference is made to the Option to Joint Venture Agreement dated as of June 22, 2017 (the “**Option Agreement**”) between Rio Tinto Exploration Canada Inc. (“**RTEC**”), Shore Gold Inc. (“**SGF**”), and Kensington Resources Ltd. (“**Kensington**”).

For good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, RTEC, SGF and Kensington hereby agree as follows:

1. Section 7.1 of the Option Agreement is hereby deleted and replaced with the following:

“7.1 **Title Transfer.** Within 10 days of the Effective Date, SGF shall obtain a 100% registered interest in the mineral dispositions comprising the Properties. SGF shall within 5 days after written request from RTEC, transfer a 100% registered interest in those mineral dispositions from SGF to RTEC on MARS, free and clear of all Encumbrances (except for the Permitted Encumbrances) and in form and substance to the satisfaction of RTEC.”

2. Section 7.3 of the Option Agreement is hereby deleted and replaced with the following:

“7.3 **Failure to Register Transfers.** If SGF fails to:

- (a) obtain a 100% registered interest in the mineral dispositions comprising the Properties, free and clear of all Encumbrances, on or before September 30, 2017; and
- (b) transfer a 100% registered interest in those mineral dispositions from SGF to RTEC on MARS, free and clear of all Encumbrances, on or before the later of September 30, 2017 and the expiration of the five day period referred to in Section 7.1,

such failure shall constitute a Force Majeure event, which Force Majeure event shall continue until such time as RTEC is registered as the 100% registered holder of those mineral dispositions.”

3. Section 6.2(a) is hereby amended by deleting the words “within 10 days after the Effective Date” and replacing the same with “within the time prescribed thereunder”.
4. Capitalized terms that are used in this letter agreement and not defined shall have the meaning ascribed to them in Option Agreement.
5. This letter agreement shall be governed by and interpreted in accordance with the laws of Saskatchewan.
6. This letter agreement shall be read together with, and forms part of, the Option Agreement.
7. This letter agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this letter agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement among the parties.

If you are in agreement with the foregoing, please sign this letter agreement where indicated below and return a copy to us.

Yours truly,

RIO TINTO EXPLORATION CANADA INC.

By: (signed) "Justin Quigley"
Title: Vice-President - Commercial

Accepted and agreed to as of July 12, 2017.

SHORE GOLD INC.

By: (signed) "Kenneth E. MacNeill"
Its: President

KENSINGTON RESOURCES LTD.

By: (signed) "Kenneth E. MacNeill"
Its: President