



TGX:TSX-V

TRUE NORTH GEMS

True North Gems Completes oversubscribed \$1.1 million Private Placement

November 6th, 2012 - Vancouver, British Columbia - True North Gems Inc. (the “Company”) (TSX-V: TGX) announces that it has raised gross proceeds of \$368,700 in the final closing of the non-brokered private placement announced on July 31, 2012. The funds were raised through the issuance of 7,374,000 units at a price of \$0.05 per unit. Each unit is comprised of one common share and one-half non-transferable common share purchase warrant, each warrant is exercisable for one additional common share for a period of one year at a price of \$0.12 per share

This closure is in addition to the first tranche financing of \$725,400 announced on August 9th, 2012. Total proceeds from both tranches amount to \$1,094,100. The Company issued a total of 21,882,000 shares and 10,941,000 share purchase warrants in connection with this Private Placement.

The Company has paid cash fees totaling \$14,810 and issued 296,200 share purchase warrants to finders in connection with the closing of this second tranche. Each finder’s warrant is exercisable for one additional common share for a period of one year at a price of \$0.05 per share. The common shares and warrants comprising the units, as well as any common shares issuable upon exercise of the warrants, are subject to a four month hold period expiring on March 3, 2013.

In the event the closing price of the Company’s common shares on the TSX Venture Exchange is \$0.15 or greater for 10 or more consecutive trading days at any time after December 10, 2012, the Company will be entitled to accelerate the warrants upon 20 days’ prior notice and the subscribers’ share purchase warrants and finder’s warrants will then expire on the 20th calendar day after the date of the notice unless exercised by the holder prior to such date.

The Company expects to use the proceeds of the private placement to further the exploitation permitting process with the Greenland government, for seasonal exploration work, and for general working capital and other corporate purposes.

This news release does not constitute an offer to sell or the solicitation of an offer to buy any units within the United States. The units have not been offered and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws. Accordingly, the units may not be offered or sold in the United States or to U.S. persons (as such terms are defined in Regulations under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws or an exemption from such registration is granted.

For further information, contact:

Nicholas Houghton,
President and CEO

- or -

Ward Kondas
Corporate Communications

Telephone: 604-687-8055 or 1-800-399-8055

Visit our website: www.truenorthgems.com

Email: info@truenorthgems.com

www.truenorthgems.com

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