



True North Gems Provides Operations Update

Vancouver – February 18th, 2016 – True North Gems Inc. (TGX: TSX-V) (“True North” or the “Company”) is pleased to provide a construction and operations update for the Aappaluttoq Ruby Mine, SW Greenland. Since the last update, issued on October 19th, 2015, the company and our joint venture partners (LNS Greenland, “LNSG”) have made substantial progress.

Construction & Plant Equipment installation

- Construction of the workshop and the main processing plant building has been underway since mid-December 2015. The workshop is now complete, fully equipped and in-use. The exterior shell of the processing plant building has been fully constructed. Remaining work includes construction of the internal security offices, power distribution room, and plant offices.
- Installation of the processing plant structural steel and processing equipment is also underway, with one of the three main towers currently installed. This structure supports the ore feed conveyor (from the primary crusher), the primary ore-hopper, and the scrubber unit. A second steel tower is partially complete and the secondary crusher will be fixed into place in the coming days.
- The primary crusher pad area has been readied and the exterior conveyor belt has been installed. This conveyor will take ore from the crusher into the processing building for storage in the primary ore hopper.
- All processing plant equipment has arrived at the mine-site including all long-lead items. Internal pipe & cable trays, lighting, heating, air circulation systems are on-site and good progress is being made on their installation.
- LNSG have initiated formal hand-over procedures with True North Gems Greenland (TNGG) for completed infrastructure. This handover includes the Helipad, Mine Camp, Workshop, Power Generation facilities, fuel tanks, and the explosive storage depot.

Pit operations:

- Operations started in the pit on December 2nd (see previous news release dated December 2, 2015). This work has been focused on stripping overburden from the top of the exposed ore. To date, the Company estimates an area of 2,450m² was stripped, with overburden thickness varying from zero to approximately 5



meters. All overburden has been securely stockpiled away from the primary pit operations as testwork in 2009 indicated the possibility of corundum being present within the weathered soil layers above the hard-rock Aappaluttoq deposit. As such True North will process this material through the corundum recovery plant once this facility has been fully commissioned.

- To protect the soft phlogopite-corundum ore from blasting shockwaves a ‘blast-screen’ was designed and drilled along the entire 120m strike-length of the now exposed surface ore-body. Since January 1st, 2016 a total of 675 top-hammer drillholes were bored parallel to the edge of the ore. Each hole was drilled to a depth 2.5m to 3m below the current 220m elevation of the first mine-bench; depending on topography this equates to a hole depth between 6 meters and 15 meters. Each hole is 76mm in diameter and was drilled 20cm apart on a staggered pattern to provide the maximum lateral blast protection. To date a total of 7002 meters has been drilled as part of the protection screen, including 4800m since January 1st.
- Waste-rock blasting and removal formally commenced on January 11th, 2016 and is currently focused on clearing the first mine bench area around the ore-body to create sufficient working space for the heavy equipment. To date four main blasts have taken place producing approximately 3143m³ of broken rock (approximately 9,115 wet-tonnes); this material is composed of gneiss, pegmatite and minor amounts of gabbro; this rock has been utilized for the construction of site roads, the pit protection bunds and other infrastructure.

Other Activities:

- The Company recently attended and presented at the Tuscon Gem Show, AZ, USA. This is one of the largest and most prestigious gem and jewellery events in the World. True North Gems had several productive meetings with potential buyers who expressed interest in a gemstone source that can consistently supply high quality material backed by a certificate of provenance.
- The signing of the US \$21M offtake agreement (see press release dated January 28th, 2016) was viewed positively within the jewellery industry. Companies reiterated the challenge in acquiring goods in the current market and understand that offtake agreements arranged directly with the miner will improve their overall supply confidence. The Company continues to discuss future off-takes with multiple potential partners.



Continued progress reports will be issued and updated images can be viewed in the "Construction Updates" section under the "Our Mine" tab on the Company's website: www.truenorthgems.com.

Mr. Andrew Fagan M.Sc. C.Geol. FRSA, is a professional geologist registered with the Geological Society of London, UK. He is the Company's internal Qualified Person in accordance with NI43-101. Mr. Fagan has reviewed the geological data provided to True North by LNS-Greenland, and is responsible for the accuracy of such information. LNS-Greenland remain responsible for the supervision and construction of the process plant and the associated mine infrastructure.

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