

MEDIA RELEASE

True North Gems Receives Positive Pre-feasibility Study for Aappaluttoq Ruby Deposit

June 1, 2011 - Vancouver, British Columbia - True North Gems Inc. (the "Company") (TSX-V: TGX) is pleased to announce the receipt of a draft pre-feasibility study for the Aappaluttoq Ruby and Pink Sapphire Project in Southwest Greenland.

This study was completed on the Aappaluttoq deposit, one of several ruby discoveries on the property, and was prepared by EBA, a Tetra Tech Company, of Vancouver BC ("EBA") and MT Hojgaard of Denmark and Greenland following the resource estimate released on May 17, 2011. Key operating parameters:

- Open pit mine with a 9 year mine life
- Camp and mine facility easily accessible to cost-efficient water transportation
- Total probable reserve of 161,600 tonnes of ore grading 350 grams per tonne of clean corundum
- Processing of 1,100 tonnes of ore in the year of construction, increasing to an average of 22,000 tonnes per year by year 3
- Initial capital investment of \$37.4 million including contingency of \$4.4 million
- IRR pre-tax (100% equity) of 19.1%
- IRR after-tax (100% equity) 16.5%
- NPV pre-tax (100% equity) \$25.7 Million (8% discount rate)
- NPV after-tax (100% equity) \$17.5 million (8% discount rate)

"Today's release demonstrates that the Aappaluttoq ruby project is economic with modest capital requirements in a secure and welcoming jurisdiction. We believe that rough ruby and pink sapphire valuations completed on 2006 surface bulk samples and outlined in news releases of January 16 and 17, 2008, will ultimately prove to be lower than prices attained in the current market once sales are initiated" commented President and CEO Nicholas Houghton. "We look forward to completing the necessary next steps towards developing this mine and showcasing Greenland rubies and pink sapphires. We have the opportunity to open a new chapter in the coloured gemstone and jewelry world."

Other opportunities include:

- **Inclusion of inferred resources:** The resource estimate identifies 77,200 tonnes of inferred resource with a grade of 283 grams per tonne of total clean corundum. In accordance with NI 43-101 standards 62,000 tonnes of the inferred resource falls within the designed pit shell but is not counted as ore in the study. We are optimistic that we will ultimately increase the confidence level of some or all of the inferred resource to enable inclusion in future production estimates.
- **Increasing mine life and/or throughput:** The deposit remains open along strike in both directions and to depth indicating potential for increased throughput and/or a longer life operation.
- **Improved processing:** The process flowsheet is based on simple crushing, screening and jigging the ore as demonstrated successfully in the processing of the bulk samples. The process may be adapted to other methods of ore splitting and sorting (such as electric pulse disintegration and optical sorting) which may make recovery of the best quality corundum more efficient and hence reduce operating costs. These methods will be tested further.

Only corundum over 1.7 mm is considered in the study, which is nominally larger than the minimum size of gemstone rough that can be commercially polished. The study contemplates the development of an open pit mine at a 300 meter elevation to extract the probable reserve using conventional mining equipment. The mined ore will be transported to an adjacent process facility where it will be crushed, screened and sorted using a combination of hand-sorting and mineral jigs to extract a rough corundum concentrate. Personnel will be accommodated at a nearby, fully serviced camp. Supplies and personnel will be transported largely by commuter boat from the capital Nuuk (150 km), with other personnel arriving by boat from the local community of Qeqartarsuatsiat (25 km). The rough concentrate will be transported from the mine to a secure sorthouse operated by the Company in Nuuk, where the

concentrate will be graded by trained sorters to separate the gem and near-gem rubies and pink sapphires. Non-gem corundum is presently assumed to be waste.

The study demonstrates that positive economic returns from the project are possible and the study justifies securing the required permits for construction and operation. The Company is in the process of filing its application for an exploitation (mining) permit with the Government of Greenland.

Based on bulk sampling done to date, the study assumes that rough gem and near-gem ruby and pink sapphire comprises 39% of the total clean rough corundum in the deposit and that of the gem-and near-gem, 15.9% is rough ruby and 84.1% is rough pink sapphire. An overall total clean rough corundum recovery of 95% is assumed for the processing plant.

Total initial capital investment in the project is estimated to be \$33.4 million, exclusive of contingency, which represents the total direct and indirect cost for the complete development of the project, including associated infrastructure such as a full camp, roads and two small ports, as well as sorting facilities in Nuuk.

Next Steps

The Company will issue a final NI 43-101 compliant prefeasibility study Technical Report for the Aappaluttoq ruby project within 45 days as required. This study will accompany an application for an exploitation (mining) license which is expected to be filed within the second quarter of 2011.

Qualified Persons for the NI 43-101 Report

John Chow, M.AusIMM, MIEAust of EBA is the independent Qualified Person responsible for the technical information in this news release in accordance with NI 43-101. Mr. Chow reviewed and approved the contents of this release.

The following companies also contributed to the study and the exploitation permit application:

- MT Hojgaard: infrastructure, transportation, costing
- Wardrop Engineering: Processing and security
- Rambøll: environmental baseline studies, monitoring and Environmental Impact Assessment
- Grontmij: Socioeconomic impact assessment

True North Gems Inc. is listed on the TSX Venture Exchange and is engaged in the exploration and development of Greenlandic and North American coloured gemstone prospects. The Company is a pioneer in coloured gemstone exploration and, currently in Greenland, has the rights to earn 100% interest in the Aappaluttoq ruby and pink sapphire project, holds a 100% interest in the Tsa da Glisza emerald property, Yukon, and the Beluga sapphire property located on Baffin Island, Nunavut. True North's prime focus remains the commercial advancement of the Aappaluttoq Ruby Project in Greenland.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the release. The Company relies on litigation protection for "forward-looking" statements. Forward-looking statements are made based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performances or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the price of gemstone products produced, anticipated costs and ability to achieve goals. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements include, among others, price volatility, discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries, mining operational and development risks, litigation risks, regulatory restrictions (including environmental regulatory restrictions and liability), activities by governmental authorities (including changes in taxation), currency fluctuations, the speculative nature of gemstone exploration, the global economic climate, dilution, share price volatility, competition, loss of key employees, additional funding requirements and defective title to mineral claims or property. Investors are cautioned that, although management is proceeding with an exploitation (mining) permit application, the Aappaluttoq project may never achieve successful commercial production.