

MEDIA RELEASE

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**TRUE NORTH GEMS IS PLEASED TO ANNOUNCE THE COMPLETION OF
THE SECOND TRANCHE OF ITS \$3.3 MILLION PRIVATE PLACEMENT**

October 22, 2010 - Vancouver, British Columbia - True North Gems Inc. (the "Company") (TSX-V: TGX) announces that it has completed the second tranche of its previously announced non-brokered private placement for proceeds of \$1.9 Million. The Company issued 24,075,375 units at a price of \$0.08 per unit, for aggregate gross proceeds of \$1,926,030.

Each unit is comprised of one common share and one half non-transferable common share purchase warrant, each warrant exercisable for one additional common share for a period of two years at a price of \$0.10 per share for year one, and \$0.15 per share for year two. The warrants include a provision which entitles the Company to accelerate the expiry date of the warrants upon 21 days' prior notice in the event the closing price of the common shares of the Company is greater than \$0.30 for ten or more consecutive trading days at any time after four months after the date of issuance of the warrants.

A total of seven finders received total finders' fees of \$169,910 in cash and 2,123,875 finders' warrants in connection with the closing of the second tranche. Each finders' warrant is exercisable for one common share for a period of two years at a price of \$0.10 per share.

The securities issued and issuable in the private placement are subject to a hold period and may not be traded until February 23, 2011, except as permitted by Canadian securities legislation and the TSX Venture Exchange.

The Company intends to use the proceeds of the private placement to conduct exploration on the Company's properties including advancing the exploitation permit application process in Greenland, for general working capital and other corporate purposes.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Notice: *This release may contain forward-looking statements regarding the Company's business or financial condition, including the proposed completion of financings, the use of proceeds and exploration programs. Actual results*

could differ materially from those described in this news release as a result of factors, including, but not limited to the following: the timing, results and success of exploration and development programs, financial arrangements and the ability to obtain financing, developments in global resource markets, political developments, the timing of regulatory and environmental approvals and other factors. With respect to additional exploration, actual events may differ from current expectations of the Company or its joint-venture partners and other factors. The Company cautions that these and similar statements involve risk and uncertainties and are qualified by important factors, including competitive pressures, unfavorable changes in regulatory structures, and general risks associated with business, which could cause actual results to differ materially from those in the forward looking statement. Forward-looking statements are made in the context of information available as of the date stated. The Company undertakes no obligations to update or revise such statements to reflect new circumstances or unanticipated events as they occur, unless required by applicable law.