



## MEDIA RELEASE

### **True North Gems announces \$1.0M private placement**

**July 31, 2012** - Vancouver, British Columbia - True North Gems Inc. (the "Company") (TSX-V: TGX) announces it intends to conduct a non-brokered private placement of up to 20,000,000 units at a price of \$0.05 per unit, subject to regulatory approval. Each unit will be 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 one year at a price of \$0.12 per share.

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.

Finders' fees may be paid in connection with certain subscriptions under the private placement in cash and/or securities of the Company.

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.

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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. The Aappaluttoq project does not yet have a mineral resource or reserve and accordingly no economic evaluation has yet been done. Accordingly, investors are cautioned that, although management is proceeding with an exploitation (mining) permit application, the Aappaluttoq project may never achieve successful commercial production.