



TGX:TSX-V

TRUE NORTH GEMS

April 2, 2014

Hello new shareholders,

As you are well aware, the past days have seen a rollercoaster of trading in the common shares of True North Gems. It is evident from recent insider trading reports that one of the larger shareholders took the positive news of the granting of our permit to liquidate a substantial portion of their holdings, if not all. They have every right to do so, as does anyone else, but it is unfortunate that this selling has created doubt amongst the populous that may have resulted in a secondary wave of selling due to the timing.

You should note, however, that now we move forward.

The fundamentals of the project have never been better, proven by what the Company has achieved during just the last nine months and itemized by the following key points.

30 year Exploitation Permit Granted

The Greenland Government and True North Gems have achieved what many thought may not happen, a historic agreement in place for 30 years. This will benefit not only us as shareholders but also the people of Greenland. We will be the catalyst that ushers a new industry into their country, bringing stability of employment and secondary opportunities in infrastructure and support.

This agreement is a major step in de-risking the project; its granting removes any doubts that the Aappaluttoq deposit is a viable undertaking and that the management team assembled is well qualified to complete the mission.

Successful Completion of the Public Hearings

There were a total of six public hearings held with the communities who stand to benefit from the mine. These communities have every right to voice their opinion and though we may not always be in agreement we know we will work together. These were open and free flowing debates that we all learnt from, and I am proud to say that our Greenland team and the Bureau of Minerals and Petroleum (BMP) explained the Aappaluttoq project succinctly and without bias.

We were congratulated on our format and the fact that we were able to deliver the fundamentals of the project in native Greenlandic language, something that has never been done before, showing respect for all stakeholders.

Joint Venture Agreement

The signing of the Joint Venture Agreement with LNS Greenland A/S (LNSG) brings us a major portion of the capex required, \$23 million of commitment in infrastructure, engineering and building. It also brings a strong partner with extensive knowledge of Arctic mining and construction.

Most importantly, this Agreement and the 80% TNG/20% LNSG joint venture brings us an operator who now has pride in the success of the operation, an operator who benefits from the surgical extraction of the gemstones from the ore, and an operator who stands to gain more from precise mining as opposed to volume mining. These are extremely important factors to take into consideration when our commodity is highly valuable rubies and pink sapphires.

Future potential

Through our exploration and delineation, our geologists have far greater understanding of the complexity of the deposit. We can look at the potential of expansion, not only at the Aappaluttoq deposit but also possible secondary targets that will strengthen our supply and bring more value to Company. This expansion can be done in a controlled manner and achieved from future cash flow without the need for dilution to support the costs.

Moving forward

True North Gems continues to work towards achieving its goal: to be a major producer in what we strongly believe to be an emerging sector in the mining industry. With the 30 year exploitation permit, the Joint Venture Agreement with LNSG, and the completion of the public hearings, we are on track to become a producer and to have positive cash flow. We will continue to update the market and our shareholders as we make progress.

The market for gemstones is as buoyant as it has been in the last five years. Increases have been seen in prices, predominantly in the big three: rubies, emeralds and sapphires. With a proven chain of command True North Gems intends to deliver with consistency, gemstones to the lucrative luxury market. This in turn will give designers, manufacturers, polishers, wholesalers and retailers the self-assurance for growth and success.

We took some licks, I know, and it hurt to put it mildly, but it was the paper value of the company that took a hit, not the fundamentals that it was built on; these are intact and stronger than ever.

I want to thank everyone for the support they have shown and for the belief in the directors and management.

I encourage you to visit our website at www.truenorthgems.com to view our updated presentation.

For those of you who know me, you know my phone is always available, and for those of you who don't, my number is below.

Sincerely yours,



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