



## MEDIA RELEASE

**True North Gems Completes \$725,400 First Tranche of its  
\$1 Million Private Placement**

**August 13, 2012** - Vancouver, British Columbia - True North Gems Inc. (the “Company”) (TSX-V: TGX) announces that it has raised gross proceeds of \$725,400 in an initial closing of the non-brokered private placement announced on July 31, 2012. The funds were raised through the issuance of 14,508,000 units at a price of \$0.05 per unit. 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 one year at a price of \$0.12 per share.

The Company has paid cash fees totaling \$50,720 and issued 1,014,400 share purchase warrants to finders in connection with the first tranche closing. Each finder’s warrant is exercisable for one additional common share for a period of one year at a price of \$0.05 per share.

The common shares and warrants comprising the units, as well as any common shares issuable upon exercise of the warrants, are subject to a four month hold period expiring on December 10, 2012.

In the event the closing price of the Company’s common shares on the TSX Venture Exchange is \$0.15 or greater for 10 or more consecutive trading days at any time after December 10, 2012, the Company will be entitled to accelerate the warrants upon 20 days’ prior notice and the subscribers’ share purchase warrants and finder’s warrants will then expire on the 20th calendar day after the date of the notice unless exercised by the holder prior to such date.

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.

A total of five directors and officers of the Company acquired in the aggregate 964,000 units in the first tranche of the private placement and, as a result, holdings of the directors and officers in the Company have increased.

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.

---

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.

For further information, contact:

Nicholas Houghton,  
President and CEO

Ward Kondas  
Corporate Communications

Telephone: 604-687-8055 or 1-800-399-8055

Email: [info@truenorthgems.com](mailto:info@truenorthgems.com)

[www.truenorthgems.com](http://www.truenorthgems.com)

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.