



TGX:TSX-V

TRUE NORTH GEMS

True North Gems Enters Financial Agreement with Greenland's Largest Private Equity Fund

Vancouver, BC, February 27, 2013 – True North Gems Inc. (TGX: TSX-V) (“True North” or the “Company”) announces it has entered into a financial agreement with Greenland Venture A/S (“Greenland Venture”), the largest private equity fund in Greenland. Greenland Venture will invest a total of 4.5 million DKK (equivalent to approximately \$800,000 CDN) with True North’s wholly owned Greenlandic subsidiary True North Gems Greenland A/S (“TNGG”). These funds will be utilized for general working capital and will also facilitate the public hearings and other Greenlandic matters during the final stages of permitting for the Aappaluttoq Ruby Project.

The funding comprises a 500,000 DKK equity component with TNGG and a 4 million DKK commercial loan bearing 10% annual interest. The equity will be issued to Greenland Venture as class B voting shares of TNGG. Greenland Venture will also have the right to appoint a representative on the Board of Directors of TNGG. The loan has a term of 60 months, with repayment guaranteed by True North.

“Greenland Venture realise the potential offered by the burgeoning Greenlandic mining industry while seeking to endorse their belief in Greenlandic operations and development,” stated True North Gems President and CEO Nick Houghton.

Greenland Venture A/S specializes in providing venture finance to companies operating in Greenland. Greenland Venture is a subsidiary of Greenland Holding, A/S, a private equity company. The fund’s investment strategy is primarily aimed at small and medium-sized enterprises in Greenland, or companies that otherwise have a general interest in the development of Greenlandic society. The enterprise must have commercially viable activities that directly or indirectly create added value for Greenland through import/export, production or services.

“Our mandate is to invest in the development of Greenland; we see this as the perfect opportunity to show our confidence in the country, the potential of its mining industry and in the Aappaluttoq Ruby Project,” commented Karsten Hoy, CEO of Greenland Venture.

This transaction is subject to TSX Venture Exchange approval.

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