

FORM 27
SECURITIES ACT
MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

Item 1. Reporting Issuer

True North Gems Inc. (the "Issuer")
601 – 602 West Hastings Street
Vancouver, B.C., V6B 1P2

Item 2. Date of Material Change

May 2, 2003.

Item 3. Press Release

Issued May 2, 2003 and distributed through the facilities of Canada News Wire.

Item 4. Summary of Material Change

See Press Release attached

Item 5. Full Description of Material Change

See Press Release attached

Item 6. Reliance on Section 85(2) of the Act

Not applicable.

Item 7. Omitted Information

There are no significant fact required to be disclosed herein which have been omitted.

Item 8. Senior Officers

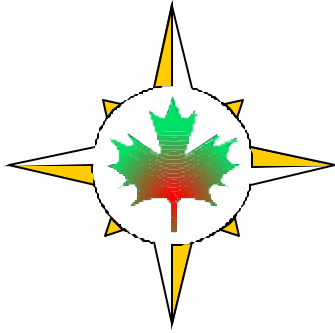
Contact: Andrew Lee Smith, Chief Executive Officer
Telephone: 1-800-399-8955

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

"Andrew Smith"

Dated at Vancouver this 2nd day of May, 2003.



TRUE NORTH GEMS INC.

(TSX-VEN: TGX)

Vancouver Office

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PRESS RELEASE

TRUE NORTH GEMS TO RAISE \$1.7 MILLION FOR REGAL RIDGE

Vancouver, May 2, 2003. True North Gems announced today that has concluded negotiations with Canaccord Capital for the private placement of up to 1,500,000 flow through shares and up to 625,000 units of the Company at the price of \$0.80 per flow-through share and \$0.80 unit. The terms of the private placement include the provision for a 20% over allotment. Each unit consists of one common share and one-half non-transferable warrant, each whole warrant entitling the holder to purchase one additional share of the Company at a price of \$1.00 per share for a period of 12 months.

The net proceeds from the private placement will be applied to Exploration of the Regal Ridge emerald project.

In consideration of obtaining subscriptions for the private placement, the Company's agents will be paid a commission of 8% cash and 10% broker's warrants. In addition, the agent will be paid a corporate finance fee of 25,000 units.

The flow-through shares offered are to be qualified as "flow-through" shares under the *Income Tax Act* (Canada).

This private placement is subject to acceptance by the securities and regulatory authorities.

For further information contact:

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<http://www.truenorthgems.com>

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The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the release. *WARNING: The Company relies on litigation protection for "forward-looking" statements.*