

**BC FORM 53-901.F
(Previously 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

September 21, 2004.

Item 3. Press Release

Issued September 21, 2004 and distributed through the facilities of Canada Stockwatch and Market News.

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 21st day of September, 2004.



TRUE NORTH GEMS INC.

PRESS RELEASE

True North Gems recovers ruby mini-bulk sample from Greenland property

Vancouver, September 21, 2004— True North Gems (TGX: TSX-V) announced today the completion of the 2004 mini-bulk sampling program at the Siggartartulik ruby deposit at the Company's 104 square kilometre Fiskenaasset ruby property on the west coast of Greenland.

True North's field crews successfully recovered an estimated 3 tonnes of ruby-bearing material from surface outcrop. The sample was extracted using diamond chain saws in combination with hand-mining methods, excavating a series of measured blocks from four cutting sites along a distance of 120 metres.

Geologic mapping indicates the ruby-bearing zone is variable but continuous at the surface over a folded strike length of 300 meters, an average thickness of 20 meters, and an elevation range of 40 meters on dip slope. Rubies are reported from six deposits across the 104 square kilometres of True North ground, lying along a flight-line range of 45 kilometres within the Fiskenaasset district.

The mini-bulk sample is currently in transit to a commercial laboratory in Ontario, Canada, for mineral processing test-work to investigate methods of gemstone liberation. The ruby concentrate will be forwarded to established commercial laboratories for the manufacture of polished gemstone.

Rubies are one of the "Big Three" (Rubies - Emeralds - Sapphires) which dominate the world of coloured gemstones. The "Big Three" collectively account for over seventy percent of total annual sales in coloured gemstones. Of the "Big Three", ruby trades at the lowest volume, but with the highest average price. Estimates of the annual global trade in polished ruby go to three metric tonnes. According to published industry price guides, one carat commercial ruby wholesales for US\$200; good for US\$500; fine for US\$1000; and extra-fine for US\$10,000.

Additional technical detail with respect to the field program, geology and paragenesis of the Greenland rubies is available at www.truenorthgems.com attached to the copy of this press release, posted in the "Latest Updates" section of the website's home page.

The planning and execution of the exploration and quality control programs at Fiskenaasset are under the supervision of True North's C.O.O. William Rohtert, who is a qualified person as defined by National Instrument 43-101.

True North Gems is a public company listed on the TSX Venture exchange and is engaged in the exploration and development of North American coloured gemstone deposits. The company is a pioneer in Canadian coloured gemstone exploration and owns a 100-percent interest in the Yukon-based Regal Ridge property and the rights to earn 100% interest in the Beluga sapphire property located on Baffin Island and the Fiskenaasset ruby deposit in Greenland.

For further information contact:

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Chief Operating Officer

or

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Investor Relations

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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.

Summary of Field Activity

Recovery of mini-bulk ruby sample, Siggartartulik deposit, Greenland

I am pleased to report the completion of the 2004 mini-bulk sampling program at the Siggartartulik ruby deposit at the Company's 104 square kilometer Fiskenaasset ruby property on Greenland.

True North collected a weight estimated in the field at 3 tonnes of ruby-bearing material from surface outcrop using a diamond chain saw in combination with hand-mining methods. Locally, 5 individuals were employed for 11 days to complete the job, carefully excavating a series of measured blocks from four cutting sites along a distance of 120 meters. Geologic mapping indicates the ruby-bearing zone is variable but continuous at the surface over a folded strike length of 300 meters, an average thickness of 20 meters, and an elevation range of 40 meters on dip slope.

At Siggartartulik, rubies occur as metasomatic replacements in the Upper Leuco-Gabbro unit of the Fiskenaasset anorthosite complex, a layered intrusive body of Archean age, locally measuring about 200 meters in thickness. Rubies are found adjacent to a network of anorthite – quartz pegmatites, which formed during regional, retrograde amphibolite metamorphism. Rubies and pegmatites lie along both limbs describing the fold hinge of an intra-formational decollement. Decoupling developed below the unbroken hangingwall contact with amphibolite. Pegmatites, and metasomatic alteration are intermittently exposed along a 1.2 kilometer strike length of favorable prospective contact between the anorthosite and amphibolite. This geologic target defines prominent topographic dip slopes, a geometric configuration amenable to testing by core drilling and exploitation by canterra mining.

True North's 2004 mini-bulk sample selectively tests four parageneses of outcropping ruby mineralization: 1) ruby – anorthite; 2) ruby – pargasite – sapphirine – kornorupine ; 3) ruby – gedrite; and 4) ruby – phlogopite. Noteworthy: Gem quality ruby is present in all four paragenetic sets. Sets are juxtaposed and interlayered parallel to structure and foliation. The largest stones have been found in paragenetic set two, whereas the best quality rubies appear to occur in set four. Set four weathers recessively, and may underlie a larger area than presently recognized. Nominal stone sizes for the four sets average around 0.4 cm, with a size range from 1 mm to 4.5 cm. Rubies are typically equant, and massive. The rubies typically lack zonation, with one notable exception, concentrically-zoned megacrysts were detected within an anorthosite inlyer to the hanging wall amphibolite.

The mini-bulk sample will be shipped to a commercial lab in Ontario, Canada, for mineral processing involving a multi-stage crush followed by gravity separation. Pulsed power disaggregation will also be tested as a non-destructive method of gemstone liberation. The ruby concentrate will be forwarded to established commercial laboratories for the manufacture of polished gemstone. The Company will internally and independently value the polished output of the mini-bulk sample in terms of dollars per carat, and carats per tonne, with close attention to the natural range in gemstone sizes and qualities. True North ultimately intends to make polished goods recovered from the 2004 mini-bulk sample available to the emerging jewelry artisanne of Greenland, as a means to cultivate and support sustainable local industries.

William Rohtert
Chief Operating Officer
True North Gems Inc.
September 2004