FORM 51-102F3

Material Change Report

ITEM 1. NAME AND ADDRESS OF COMPANY

True North Gems Inc. (the "Company")
Suite 500, 602 West Hastings Street
Vancouver, BC V6B 1P2

ITEM 2. DATE OF MATERIAL CHANGE

February 28, 2006

ITEM 3. NEWS RELEASE

Issued February 28, 2006 and distributed through the facilities of Canada Stockwatch and Market News.

ITEM 4. SUMMARY OF MATERIAL CHANGE

See attached news release.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

See attached news release.

ITEM 6. RELIANCE ON SUBSECTION 7.1(3) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7. OMITTED INFORMATION

No information has been omitted on the basis that it is confidential information.

ITEM 8. EXECUTIVE OFFICER

Contact: Greg Fekete, President
Telephone: (867) 333-9823

ITEM 9. DATE OF REPORT

DATED at Vancouver, B.C. this 28th day of February, 2006.

MEDIA RELEASE

True North Completes $1,085,000 Financing

Vancouver, February 28, 2006; True North Gems **(TGX: TSX-V)** is pleased to announce it has completed a non-brokered private placement previously announced on February 24, 2006 The Company received gross proceeds of $1,085,000 through the sale of 3,100,000 units at a price of $0.35 cents per unit.

Each unit will be comprised of one common share and one share purchase warrant, each share purchase warrant exercisable for one additional common share at a price of $0.40 cents per share for a period of two years.

All of the shares, warrants and any shares issued upon exercise of the warrants are subject to a hold period and may not be traded until June 28, 2006, except as permitted by Canadian securities legislation and the TSX Venture Exchange.

The proceeds of the private placement will be used for further exploration and evaluation of the company's properties.

True North Gems Inc. is listed on the TSX Venture Exchange and is engaged in the exploration and development of North American coloured gemstone prospects. The Company is a pioneer in coloured gemstone exploration and owns 100% interest in the Yukon-based Tsa da Glisza emerald property and the rights to earn 100% interest in the Baffin sapphire property located on Baffin Island and the Fiskaenesset ruby and pink sapphire property in Greenland.

For further information contact:

Greg Fekete, President - or -Ken Shortt, Investor Relations

Telephone: 604-687-8055 or 1-800-399-8055 Visit our website: www.truenorthgems.com Email: ken@truenorthgems.com www.truenorthgems.com