



True North Gems Closes First Tranche of Non-Brokered Private placement

Vancouver – October 31, 2018 – True North Gems Inc. (TGX: TSX-V) (“True North” “TGX” or the “Company”) announces today that it has closed an Initial Tranche of 5,000,000 Units at a subscription price of \$0.05 per Unit for proceeds of \$250,000. No finders’ fees were paid on this tranche. The Company plans to close on additional tranches in the coming weeks. Finders’ fees may be payable upon such subscriptions.

Each Unit comprises one common share in the capital of the Company and one whole warrant to acquire an additional common share at an exercise price of \$0.05 cents per common share for a period of 24 months from the date of issuance.

The proceeds from the offering will be used for working capital purposes. All securities issued under the offering, including the common shares underlying the warrants, are subject to a statutory four-month hold period from the date of issue.

The Company is currently assessing legal options to address the matters of concern with respect to the bankruptcy process and the Greenland government’s decision to award the Aappaluutoq Mining License to True North’s former partners LNS and Greenland Ventures. The Companies management and corporate counsel believe the bidding process was mis-managed, needlessly expedited, unfair, biased and potentially in contravention of Greenlandic bankruptcy laws.

Andrew Lee Smith, Interim CEO

On behalf of the Board of Directors of True North Gems Inc.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This document contains “forward-looking information” and “forward-looking statements” (together, “forward-looking statements”) within the meaning of applicable securities legislation, which are made as of the date of this document or the document(s) referred to herein. Statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects”, “anticipates”, “plans”, “projects”, “estimates”, “intends”, “strategy”, “goals”, “objectives” or variations thereof or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements. Forward-looking statements include, without limitation, statements with respect to: the amount of mineral reserves and mineral resources; the amount of future production over any period; net present value and internal rates of return of the proposed mining operation; capital costs; operating costs; strip ratios and mining rates; and mine life. The forward-looking statements are made based upon certain assumptions which, if untrue, could cause the actual results, performances or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by the forward-looking statements. These assumptions include, without limitation: the price of gemstone products produced; anticipated costs; the presence of and continuity of gemstones at modeled grades and values; the capacities of various machinery and equipment; the availability of personnel, machinery and equipment at estimated prices; exchange rates; appropriate discount rates; tax rates applicable to the proposed mining operation; financing structure and costs; anticipated mining losses and dilution; gemstone recovery rates; reasonable contingency requirements; and receipt of regulatory approvals on acceptable terms. By their very nature, forward-looking statements involve inherent risks and

uncertainties that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements. These include, without limitation: price volatility, discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries, mining operational and development risks, regulatory restrictions (including environmental regulatory restrictions and liability), activities by governmental authorities (including changes in taxation), currency fluctuations, the speculative nature of gemstone exploration, the global economic climate, dilution, share price volatility, competition, loss of key employees; additional funding requirements and defective title to mineral claims or property]. This list is not exhaustive. See also, for example, the risks disclosed in the Company's other disclosure documents filed at www.sedar.com, including, without limitation, those disclosed in the Company's management's discussion & analysis. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, except as otherwise required by applicable securities legislation.

The comments above are provided Without Prejudice.