VANCOUVER, BRITISH COLUMBIA--(Marketwired - Apr 12, 2016) - <u>True North Gems Inc.</u> (TSX VENTURE:TGX) ("True North", "TNG", or the "Company") is pleased to provide a construction update for the Aappaluttoq Ruby Mine, SW Greenland. Since the last update on February 18<sup>th</sup>, 2016, the company and our joint venture partners (LNS Group, "LNSG") have continued to make steady progress with development of the Aappaluttoq mine infrastructure.

## Processing Plant Milestones:

- Completed installation of the processing plant structural steel framing for the weight-bearing equipment within the plant;
- All major heavy processing equipment items are now in-place on the structural steel framing. Processing equipment
  installed includes the scrubber, sizing screens, dryer, oversize recovery conveyors, secondary cone crusher, dense media
  separation unit, and the optical sorter. Installation of the electrical wiring and plumbing of the various pieces of processing
  equipment continues;
- Installation of the main drag-chain conveyors is now complete. Testing of the conveyors will commence once power supplies are fitted;
- The primary fresh water supply to the plant was installed in the lower lake basin with all pipework from the lake to the plant now complete. Electrical supply is currently being installed to ready the pumps and primary ring-main systems for commissioning:
- Construction and installation of the processed ore waste pipe is currently in-progress. This pipe leads from the plant into
  the upper lake basin where it will deposit -1.7mm processed ore waste in a stable state below the lake thermocline. The
  pipe is positioned on its foundations with all installation welding complete. Installation of the insulation and heat-tracing is in
  progress;
- The construction of the security complex, locker/lunch-room, electrical switch room, and process plant control center is still in-progress. All walls are completed and activities are now focused on supplying independent heating, electrical and plumbing into the process building. The server rooms are installed however final installation of sensitive computer equipment will take place once all heavy engineering and construction has been completed in the rest of the main building;

## Ground Infrastructure:

The remaining ground infrastructure required to be built by LNSG as part of their earn-in to the project are expected to be completed over the summer months when the ground is dry and final construction will be both cheaper and easier to complete. Specifically, this covers the remaining work to upgrade the site roads and the installation of the concrete pier to replace the current floating barge landing at the outer port.

## Mine Operations Pit:

The 2016 pit operations and extraction are currently in the planning stages for summer activity. Mining activity completed through to the end of February 2016 provided an ore stockpile feed for the primary crusher of sufficient volume to complete the upcoming wet commissioning of the processing plant. Sufficient waste-rock has been removed from the pit to provide near-immediate access to the orebody upon resumption of mining activity once the processing plant has been fully commissioned:

## Nuuk Facilities:

- The concentrate upgrading facility in Nuuk has now completed its final design and negotiation are in progress regarding a suitable building for retrofitting in Nuuk. Building design approvals from the Municipality of Nuuk have recently been granted.
- Final designs for the Nuuk rough ruby and pink sapphire sorting and grading facility have been completed and the necessary equipment is currently being sourced and procured;
- The RubyTrack™ inventory and tracking software is currently undergoing final testing in Vancouver; specific
  equipment needs are currently being assessed and sourced prior to the implementation of field testing in Greenland;

Continued progress reports will be issued and updated images can be viewed in the "Our Mine" section under "Construction Updates" on the Company's website: www.truenorthgems.com.

Mr. Andrew J. Fagan M.Sc. C.Geol. FRSA, is a professional chartered geologist and the Company's internal Qualified Person in accordance with NI43-101. Mr. Fagan has reviewed the geological information provided to True North by LNS-Greenland and is responsible for the accuracy of this information as presented in this release. LNS-Greenland remains responsible for the supervision and construction of the process plant and its associated site infrastructure.

Visit our website: www.truenorthgems.com

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This document contains "forward-looking information" and "forward-looking statements" (together, "forward-looking statements")

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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.

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