



North American Gem Inc. Commences the 2008 Diamond Drilling Program at the Louise Lake Project and Adds a Second Diamond Drill

January 21, 2008: North American Gem Inc. (TSX-V symbol: NAG) is pleased to announce that the 2008 diamond drilling program being conducted by Britton Brothers Diamond Drilling of Smithers, British Columbia has commenced at the Louise Lake project. Britton Brothers has made available the use of a second diamond drill which has also broken ground on the project. The road-accessible Louise Lake property is located 35 kilometers west of Smithers, British Columbia, Canada, a full-service community with excellent access to highway, rail and electrical power infrastructure.

This will consist of a minimum of 4,400 meters of “NQ” –sized core in approximately 11 to 13 holes, focusing on the northward extension of the “Main Zone” a tabular, north-dipping copper-gold-molybdenum-silver deposit. The deposit extends to a depth of about 270 meters, where it is abruptly truncated by a flat-lying thrust fault, called the “Terminator”.

The proposed 2008 program will include targeting of the interpreted portion of the deposit underlying the flat-lying “Terminator” fault northwest of the Main Zone. Results from Hole LL-07-15, collared northwest of the Main Zone in 2007, revealed low-grade mineralization beneath the “Terminator” having a similar fabric and geochemical signature to the Main Zone. This represents the first intercept of sub-Terminator mineralization to date, suggesting the underlying “fixed” portion of the deposit may occur further northwest of the Main Zone.

The 2008 program will also target the north-eastern portion of the Main Zone near areas of higher grade gold intercepts returned in 2007, including a 26.1-metre intercept grading 0.769 g/t gold and 0.477% copper (see NAG news release dated May 9, 2007). The program should be completed by mid-March, 2008.

Table 1 lists the updated resource estimates per category:

Table 1: 2007 updated SRK classified mineral resources, Main Zone, Louise Lake Project

Mineral Resources*	Tonnes	Cu (%)	Mo (%)	Au (g/t)	Ag (g/t)
Indicated	26,000,000	0.231	0.008	0.22	1.01
Inferred	125,000,000	0.239	0.009	0.23	0.99
*All resources quoted at 0.15% copper cut-off					

The 2007 estimate uses an actual copper cut-off value of 0.15%, rather than the “copper equivalent” (CuEq) cutoff value of 0.25% used in the 2006 estimate. Comparison of the two estimates using the 0.25% CuEq cutoff instead, with identical metal prices, indicates that the 2007 estimated tonnage has been increased by 8%, with very similar metal grades. Grades of the

Indicated Resource category, which has been increased to 26,000,000 tonnes from 6,000,000 tonnes, are also substantially increased from 2006 values.

The Main Zone hosts an unusual mineral assemblage, with copper occurring as an equal mixture of enargite and chalcopyrite. The 2004 through 2006 programs extended the known dimensions of the east-west striking, moderately north-dipping tabular Main Zone both to the west and east, as well as down-dip to the north. By 2006, the Main Zone was known to be at least 970 meters long, up to 170 meters wide, and extending to a depth of 250 – 270 meters, where it is abruptly truncated by the flat-lying “Terminator” fault.

This News Release was reviewed and approved by Carl Schulze, BSc, PGeo, Qualified Person for the project, in accordance with regulations under National Instrument 43-101. All sample analysis will be completed by ALS Chemex of North Vancouver, British Columbia, Canada. The diamond drilling program will be conducted by Britton Brothers Diamond Drilling of Smithers, British Columbia.

About North American Gem Inc. North American Gem Inc. (TSX-V symbol: NAG) is a junior exploration Company based in Western Canada. The Company's primary goal is to explore for Uranium, Molybdenum, Gold, Copper and other base metals in Canada. The Company is actively pursuing several opportunities, including the Louise Lake copper-gold-molybdenum-silver project located in British Columbia. The Company is also pursuing its uranium projects, consisting of the Whiskey Gap, Del Bonita, Western Basin, and Bonny Fault projects, all located in Alberta. In addition the Company is also pursuing its Mosquito Gulch uranium property located in the North West Territories and the Ranger Lake Uranium property located in Ontario.

On Behalf of the Board of Directors
NORTH AMERICAN GEM INC.
"Charles Desjardins"

Charles Desjardins
President and Director

THE TSX VENTURE EXCHANGE HAS NOT YET REVIEWED AND DOES NOT TAKE RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE CONTENT OF THIS NEWS RELEASE.

Cautionary note:

This report contains forward looking statements, particularly those regarding cash flow, capital expenditures, and investment plans. Resource estimates, unless specifically noted, are considered speculative. The company has filed a National Instrument 43-101 resource estimate on the Louise Lake property. Any and all other resource or reserve estimates are historical in nature, and should not be relied upon. By their nature, forward looking statements involve risk and uncertainties because they relate to events and depend on factors that will or may occur in the future. Actual results may vary depending upon exploration activities, industry production, commodity demand and pricing, currency exchange rates, and, but not limited to, general economic factors.

Cautionary Note to US investors: The U.S. Securities and Exchange Commission specifically prohibits the use of certain terms, such as "reserves" unless such figures are based upon actual production or formation tests and can be shown to be economically and legally producible under existing economic and operating conditions.