



NORTH AMERICAN GEM INC.

430 – 609 Granville Street  
Vancouver, BC, Canada V7Y 1G5  
Phone 604-683-5445 // Facsimile 604-687-9631  
info@northamericangem.com  
www.northamericangem.com  
TSX-Venture: NAG

## **North American Gem Inc. Receives First Priority on 415,434 Acres of Coal Prospecting Permits West of Hudson Bay, Saskatchewan *Still Waiting on Approximately 1,000,000 Acres in Coal Permit Applications***

**June 9, 2008:** North American Gem Inc. (TSX-V symbol: NAG) has received a “Comfort letter” from Saskatchewan Energy and Resources stating that of the coal permit applications processed to date, on behalf of North American Gem Inc., 415,434 acres of issued Coal Prospecting Permits (CPP) will be given priority sequence in our area of interest west, northwest and east-northeast of Hudson Bay. The Company has filed and fully paid for 786 Coal Disposition applications to date. The comfort letter received lists all applications made on behalf of the Company during the period of May 6-9<sup>th</sup>, 2008 and details the land description, acres, priority sequence and the allocated coal prospecting permit (CPP) numbers. All of the ground that has been applied for has been done so in accordance with all the rules and regulations set forth by the government of Saskatchewan’s permitting office.

As with all other companies applying for Coal Dispositions in Saskatchewan, North American Gem Ltd., has its applications and Coal Prospecting Permits subject to the Saskatchewan government’s approval process. The standard issue Comfort letter states “the extent to which the land described in these applications can be issued has not been investigated, and therefore this letter should not be construed as an indication that any land will be issued, as a full review is still to be completed.”

North American Gem Inc. has submitted 786 coal permit applications for 1,491,010.56 acres; this will be the first of a few letters of comfort that the Company will receive from the government of Saskatchewan’s permitting office, as the Company continued to apply for permits until June 6<sup>th</sup>, 2008. The criteria for targeting the coal permit applications were: initial proximity to the recent coal discovery made by Goldsource, and strategically accumulating favourable cretaceous age coal hosting geological stratigraphy identified by Goldsource, and aggressively applying for ground that covered favourable cretaceous age coal hosting geological stratigraphy identified with the Adamas Coal Discovery west of the Goldsource discovery; this area being known only to North American Gem Inc. and subsequently returned an analysis from Loring Laboratories of Sub-bituminous A grade coal from drill core that sat unprotected, subjected to the elements for 14 months.

Charles Desjardins, President of North American Gem Inc. said, “This entire process from permit application to the granting of the actual permits will take time, but we are confident that North American Gem Inc. will be a major land holder in this newly discovered region once all of the permits have been granted. Once the coal prospecting permits have been granted, North American Gem Inc. will aggressively explore the region.”

North American Gem Inc. anticipates being a major land holder in this new coal region of Saskatchewan. The Company will commit to aggressive exploration and is currently assembling an outstanding Board of Advisors with expertise in the area of coal exploration. The Company

plans to first twin the Adamas discovery hole to get a true grade of the quality of the coal at that location, and further exploration holes in the area of the discovery. Also the Company is planning extensive airborne geophysics over its area of influence, of which is yet to be determined.

### **Overview**

In 2007, Adamas was exploring a magnetic anomaly thought to be a kimberlite target in proximity to the most recent discovery by Goldsource Mines Inc. (TSX-V symbol: GXS) (Goldsource), in western Saskatchewan. During this exploration program Adamas discovered a coal seam in the Cretaceous rock (Mannville Group Rocks) sequence containing coal similar to Goldsource, confirming the regional potential for coal deposits.

Adamas has collected proprietary aeromagnetics data for the area of interest that has been made available to North American Gem Inc. to be used to further evaluate the area for coal deposits and other minerals that may be found therein. Historical data and reports suggest that coal is present to the north edge of the Cretaceous rock sequence along the shores of Wapawekka Lake to the north of the Adamas discovery. These reports further suggest that the Wapawekka out crop is likely associated with a larger deposit to the south. The Adamas intercept is directly south of Wapawekka Lake along the low lying basin adjacent to the south east of the Narrow Hills Uplands.

Goldsource also made a significant coal discovery while drilling for kimberlites in a low lying basin south east of the adjacent uplands at Pasquia Hills to the south east of the Narrow Hills intercept. The occurrence at Pasquia is roughly 80-100 km south east of the Narrow Hills and both have similar topographical features and are in the same Cretaceous rock sequence.

Airborne Electromagnetic surveys are well suited for regional exploration of this nature, and given the known location of the Adamas Coal intercept, it is likely to provide a fast track to defining regional drill targets.

The Company will announce any confirmation of the Coal Prospecting Permits that become validated through the government of Saskatchewan's permitting office process. The process time frame is determined by the permitting office and all companies in the process are dealt with similarly and given the same assurances and guarantees by the Government of Saskatchewan. North American Gem Inc. has submitted money with all the 786 applications made to the Saskatchewan permitting office.

North American Gem has made a commitment to be active in Saskatchewan for the exploration of coal, whether it be through successful permitting by the Company or through joint venture opportunities. The recent coal discovery by Goldsource Mines Inc. of bituminous coal in two drill holes 1600 meters apart, suggests the potential for a much larger coal system. Goldsource believes the coal it encountered is from the Mannville/Swan River Group of Cretaceous age (Goldsource Mines Inc., Release May 5, 2008). Coal structures of the Cretaceous age are generally stratigraphic and can encompass several thousand square kilometers.

Mike Magrum, PEng, a qualified person under National Instrument 43-101, has approved the technical content of this news release.

**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.