

North American Gem Inc. Clarifies Louise Lake Estimate

January 26, 2009: North American Gem Inc. (TSX-V symbol: NAG) (the Company) announces, as a result of a review by the British Columbia Securities Commission, we are issuing the following news release to clarify our disclosure.

Louise Lake Property:

In its October 9, 2007 news release, North American Gem Inc. disclosed a significant increase in its indicated mineral resource estimates for the Main Zone at Louise Lake. Although the estimate incorporated results from the Company's diamond drilling program conducted in early 2007, and the Company reported that the estimates were provided by SRK Consulting (Canada) Inc. (SRK Consulting), SRK did not deliver a final estimate to the Company that was National Instrument 43-101 compliant and the Company should not have disclosed an increase in its indicated resource estimate. Therefore, the Company retracts its mineral resource disclosure of October 9, 2007 and restates its Louise Lake resource estimates as follows.

The resource estimate released by the Company on May 30, 2006 meets the requirements of National Instrument 43-101 and is the Company's current disclosed Louise Lake resource estimate. The estimates are included in the Company's July 14, 2006 technical report prepared by SRK Consulting entitled "Independent Technical Report and Resource Estimate for the Louise Lake Property, Omenica Mining Division".

Table 1 lists indicated and inferred resources calculated in 2006 by SRK Consulting for the Main Zone, calculated at a copper equivalent cut off of 0.25% Cu:

Table 1 - SRK classified mineral resources for the Louise Lake deposit, B.C., Canada

Mineral Resources*	Tonnes*	Cu (%)	Mo (%)	Au (g/t)	Ag (g/t)
Indicated	6,000,000	0.214	0.006	0.20	0.98
Inferred	141,000,000	0.234	0.009	0.23	0.94

*All resources quoted at 0.25% CuEq cut-off

**CuEq calculated using the following metal prices: Cu US\$1.20/lb, Mo US\$8/lb, Au US\$450/oz, Ag US\$7/oz

This resource base was estimated by ordinary kriging methods from 37 drill holes located within a mineralized envelope designed by SRK Consulting. The resource is based on a global bulk density of 2.75 tonnes/m³. Block classification was applied using a combination of the average distance and number of drill holes contributing composites to the local estimate.

The Indicated Resource classification was applied to blocks with a minimum of two drill holes and an average distance to composites of less than 50 meters. Additionally, blocks assigned to the indicated resource classification were limited to areas where bulk density samples were

taken. The indicated blocks form a contiguous cluster with overall dimensions of 100 by 300 by 170m, extending from surface to a depth of 175m. The formula used for Cu equivalent calculations is provided at the base of Table 1; no provisions were made for metallurgical recoveries.

The Louise Lake technical disclosure contained in this News Release was reviewed and approved by Carl Schulze, BSc, PGeo, Qualified Person for the Louise Lake project.

Company Website:

The Company's website previously contained a report by Fundamental Research Corp. (FRC) and a Fact Sheet that included disclosure of the non-compliant resource estimates made by the Company in October 2007, along with share price guidance. The Company has removed the FRC report from its website. The FRC report is being retracted and should not be relied upon because the costs, production rate, mine life and net present value based on a per share basis was unsupported by information prepared by a Qualified Person and the estimate on which it was based was not compliant with National Instrument 43-101.

Revised NI43-101 report to be filed:

As a result of the BCSC review, the Company intends to file a revised technical report during February 2009 that will include exploration programs completed since the July 14, 2006 SRK technical report. A draft January 2008 preliminary assessment provided by SRK based on the following metal prices: Cu US\$1.35/lb, Mo US\$15/lb, Au US\$500/oz, Ag US\$8/oz, did not indicate favorable economics for Louise Lake.

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 Coal in North America, currently the focus is in Saskatchewan and West Virginia. In addition to Coal exploration, the Company also has interest in Uranium, Copper, Gold, Molybdenum and other base metals in Canada. The Company has advanced the Louise Lake copper-gold-molybdenum-silver project, located in British Columbia and has produced a NI 43-101 compliant Resource estimate (included in its NI 43-101 Technical Report dated July 14, 2006 and filed on SEDAR). In Alberta, the Whiskey Gap and Western Basin Uranium potential projects. The Mosquito Gulch Uranium property located in the Northwest 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 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.