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TSX-Venture: NAG

North American Gem Inc. Initiates the Drill Permitting Process for Coal Exploration North of Hudson Bay, Saskatchewan

February 26, 2009: North American Gem Inc. (TSX-V symbol: NAG) (the “Company”) is pleased to announce that it has initiated the drill permitting process for a work program that will include up to 20 drill holes focused around the Tobin Lake region, located within east-central Saskatchewan. The Company has been granted 757 Coal Prospecting Permits covering an area of 1,436,500 acres (581,376 hectares) that have been approved by Saskatchewan Energy and Resources, near the recent coal discovery by Goldsource Mines Inc.

The Company will structure its drill program to allow some targets to be accessed in the spring/summer months, while others will be accessed during frozen-ground conditions next winter. The drill program will target locations with historic coal occurrences and areas with potential for coal intercepts, at depths amenable to open-pit mining. Nearby coal occurrences include:

- the Wapawekka Lake coal occurrences currently being explored by Alix Resources Corp. and Geo Minerals;
- the Adamas Minerals coal intercept to the southeast of the Narrow Hills Uplands;
- the 18 meter coal showing currently being explored north of Tobin Lake;
- the coal resources currently being investigated, north of Hudson Bay, Saskatchewan, by Goldsource Mines Inc.

The Company has developed a database of other, lesser-known, and yet to be verified coal occurrences previously identified by companies not exploring for coal, as well as coal showings noted by Provincial and Federal geological surveys.

North American Gem Inc. has engaged Dahrouge Geological Consulting Ltd. (Dahrouge) of Edmonton, Alberta, to initiate the permitting process on its behalf. Dahrouge has significant experience in exploring for, and developing deposits of thermal coal within the Western Canada Sedimentary Basin.

The technical information in this news release has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed on behalf of the company by Jody Dahrouge, P.Geol., of Dahrouge Geological Consulting Ltd., a qualified person.

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 interests 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 updated February 6, 2009, as filed on

SEDAR). The Uranium projects include the Whiskey Gap and Western Basin in Alberta, the Mosquito Gulch property in the Northwest Territories and the Ranger Lake Uranium property in Ontario.

On Behalf of the Board of Directors
NORTH AMERICAN GEM INC.

"Charles Desjardins"

Charles Desjardins
President and Director

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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.