



North American Gem Inc. Enters into an Option Agreement for Coal Exploration North of Hudson Bay, Saskatchewan

February 17, 2009: North American Gem Inc. (TSX-V symbol: NAG) (the “Company”) would like to announce that it has granted an option to Silver Fields Resources Inc. (TSX-V symbol: SF) (37.5% interest) and WestCan Uranium Corp. (TSX-V symbol: WCU) (37.5% interest) to acquire a seventy five percent (75%) interest in Township 55-07-02. Township 55-07-02 consists of 12 Coal Prospecting Permits (CPP) totaling 23,040 acres to the northeast of Tobin Lake in Saskatchewan, Canada. This Township is located just east of the recently announced Weststar Resources Corp. (TSX-V symbol: WER) exploration program and is near the most recent coal discovery by Goldsource Mines Inc. (TSX-V symbol: GXS), although the Company cautions that the exploration of the Coal Prospecting Permits in Township 55-07-02 may not derive the same results as obtained on neighboring properties. The grant of this option represents the Company’s first option agreement in this area where the Company has Coal Prospecting Permits totaling approximately 1.4 million acres.

Silver Fields Resources Inc. (Silver Fields) will be the Operator for the project and has submitted a detailed drill permit application to the government of Saskatchewan’s permitting office. Silver Fields has made plans to begin exploration upon permit approval.

Terms of the agreement for Township 55-07-02 are as follows:

For Silver Fields Resources Inc. to earn a 37.5% interest and WestCan Uranium Corp. to earn a 37.5% interest (75% interest in total) in Township 55-07-02 they must:

- Each pay \$7,500 (\$15,000 total) to North American Gem Inc. upon signing of the agreement.
- Each issue 200,000 Common Shares to North American Gem Inc.
- Incur exploration expenditures, in aggregate of \$480,000 on the property by September 30, 2011.
- Take the project to completion of a bankable feasibility study within 5 years of the vesting of this agreement; failure of which the 75% interest in Township 55-07-02 will revert back to the Company.

Assuming satisfaction of the terms in the option agreement and delivery of a bankable feasibility study, the parties intend to enter into a joint venture agreement under which North American Gem Inc. will hold 25% interest in the project and Silver Fields Resources Inc. and WestCan Uranium Corp. will each hold a 37.5% interest in Township 55-07-02.

The agreement is subject to TSX Venture Exchange approval.

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

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.