



North American Gem Inc.

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TSX-Venture: NAG

North American Gem Inc. has Reached Regulatory Milestone in the Permitting Process for North American Gem #2 Mine

June 23, 2010: North American Gem Inc. (NAG) (TSX-V symbol: NAG) through its subsidiary, North American Gem US, Inc. is pleased to announce that the application for the transfer of Mine permit #816-0443 in the name of Jamieson Construction, Inc. to North American Gem US, Inc. has been administratively accepted by the Kentucky Department of Natural Resources (KDNR) in a letter dated June 17th 2010. The new Mine permit number #816-0513 has been assigned to North American Gem US, Inc., (NAG US) and has been recorded as North American Gem #2 Mine in Knox County, Kentucky.

North American Gem US, Inc. has completed the required public advertisement of the Notice of Intention to Mine and has submitted proof of the advertisement to the KDNR. A 30 day public comment period has now commenced and must elapse before the KDNR will issue the final mining permit. At this time, NAG US will have met all the requirements for final approval of the permit transfer and be eligible to begin mining.

Kentucky Mine Partners LLC (KMP) has all of the equipment needed to perform the mining operations prepared and staged at the North American Gem #2 Mine. Initial production of the Blue Gem and Jellico coal is planned for a production rate of 8,000 - 10,000 tons per month. The North American Gem #2 Mine will be a surface mining and augering operation.

All of NAG's potential mining operations will incorporate sediment control methods that will keep ahead of the increased regulations and restrictions. Furthermore, in anticipation of increased regulations, NAG has, in all of its permitting applications, begun the sampling of receiving streams and groundwater wells utilizing the most stringent and extensive sampling parameters. This will allow NAG to comply with the regulatory requirements and will also result in a much shorter and smoother permitting application process.

The North American Tipple Facility will serve as the central operation and distribution point for coal produced by NAG's mining operations. The facility has equipment in place that is capable of crushing, screening, and washing coal. This gives North American Gem Inc. the added dimension to service a variety of customers by preparing coal to meet their specific requirements. North American Gem Inc. will also have the ability to purchase outside coal to produce custom blended products which will increase market potential. Specifically, plans are to service the industrial stoker markets, silicon metal producers, and electricity generators.

Mr. Dean Schafer is acting as operations manager of all the Company's Kentucky coal leases and is currently implementing an overall mine plan.

Ms. Deborah Moses, PEng, PLS, REM, of Engineering Consulting Services Inc. (ECSI) is the qualified person for the Company's coal operations in Kentucky.

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 Kentucky, 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.

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. Resource estimates, unless specifically noted, are considered speculative. Any and all other resource or reserve estimates are historical in nature, and should not be relied upon. The production rate and mine-life projections have been made without support of a feasibility study, there is no certainty the proposed operations will be economically viable. 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.