



11 August 2010

Company Announcements Office
ASX Limited

RECENT ANNOUNCEMENT BY PREMIUM EXPLORATION INC.

Premium Exploration Drills 1.5 g/t Gold Over 150 Meters Establishing 100 Meters of Mineralized Width at Depth of High- Grade Lower Block; Remains Open Along Strike and Depth

Ausmon Resources Limited (Ausmon) attach a recent public announcement made by Premium Exploration Inc which is listed on TSX Venture Exchange of Canada (TSX-V:PEM). As announced on 27 October 2009 Ausmon has invested approximately A\$1.2 million for a strategic stake of 5,750,000 shares in Premium Exploration Inc. (Premium).

John Wang
Executive Director/Secretary



Premium Exploration Drills 1.5 g/t Gold Over 150 Meters Establishing 100 Meters of Mineralized Width at Depth of High-Grade Lower Block; Remains Open Along Strike and Depth

August 10, 2010

August 10, 2010, Vancouver, British Columbia: Premium Exploration Inc. (TSX-V:PEM) (the "Company") is pleased to announce assay results for holes PFR2010-4, PFR2010-5, and PFR2010-6 of the ongoing 10,000 meter Phase-Three drill program at the Friday-Petsite project located in central Idaho, USA. These holes advance the development of the new Lower Block, continuing resource growth and the establishment of at least 100 meters of mineralized width at depth, which remains open along strike and at depth.

Highlights Include:

- **PFR2010-4: 1.5 g/t gold over 150.0 meters including**
2.5 g/t gold over 36.9 meters including
8.3 g/t gold over 4.9 meters
- **PFR2010-5: 0.9 g/t gold over 267.0 meters including**
1.5 g/t gold over 72.2 meters including
3.4 g/t gold over 11.0 meters
- **PFR2010-6: 0.5 g/t gold over 226.0 meters including**
2.5 g/t gold over 16.4 meters

"Holes 4, 5, and 6 have advanced the overall structural interpretation, provided resource expansion, and moved the development of the new Lower Block forward. This is another positive and exciting step, advancing the potential of this multi-million oz gold target and the overall resource.

With well defined structural interpretation, resource development will advance quickly and efficiently. It is an exciting time for Premium and its shareholders, particularly as the structural information gained from Phase-Three drilling at the Friday is used in exploration along the 28 km of the Orogrande Shear Zone under Premium's control," stated Michael Ostenson, Premium's VP of Exploration.

Identifying the geological constraints in the early stage of the program has provided significant geological indications enabling larger step outs. This also increases our confidence in bringing the drill-hole data into the inferred resource category as the program tests the extent of the deposit's strike length.

PFR2010-4 was drilled to the east to confirm the location of the thrust fault, high grade mineralization, the bounding fault to the east, referred to as the "Friday Fault", and has established that the mineralized zone of the Lower Block is a minimum of 100 meters wide at depth.

PFR2010-5 and PFR2010-6 were combined into one collar location and drilled as a “fan”, one at -70 degrees and one at -55 degrees, with both being drilled to the west and increasing the mineralized strike length, 35 meters north from PFR2009-10, within the currently identified 300 meter strike length of the Lower Block.

See attached Phase 3 Drill Plan

Premium is focused on rapidly extending the current strike length of the Lower Block by deploying one drill for exploration to the north and south, with larger step-outs to test the extent of the Shear Zone. The second drill is being employed for definition drilling in the new Lower Block in an effort to increase the extent of the resource.

The current indentified strike length of the Lower Block is 300 meters, while the depth of mineralization is approximately 300 meters x 100 meters wide, and remains open along strike and at depth.

Hole ID	From M	To M	Length M	Au g/t
PFR2010-4	149.3	299.3	150.0	1.5
	254.8	291.7	36.9	2.5
	210.0	214.9	4.9	8.3
PFR2010-5	98.1	365.1	267.0	0.9
	292.9	365.1	72.2	1.5
	292.9	303.9	11.0	3.4
PFR2010-6	118.0	344.0	226.0	0.5
	118.0	134.4	16.4	2.5

** The gold grade calculation is a weighted mean with no top cut, and no bottom cut. The grade calculation includes internal waste and low grade sections.*

** True Widths are estimated to be between 50% and 75% of the drilled interval.*

PFR2010-4 returned 1.5 g/t gold over 150.0 meters, including 2.5 g/t gold over 36.9 meters, including 8.3 g/t over 4.9 meters.

This hole is a 380 meter drill hole that encountered mineralization and alteration similar to PFR2010-1, PFR2010-2, and PFR2010-3. It was designed as a technical hole drilled in addition to PFR2010-1 and PFR2010-2 to provide structural and geological data. It is also the first hole set up on the west

and drilled to the east at a -65 degree dip to specifically intercept the thrust fault at the Upper/Lower Block interface, drill a large portion of high-grade mineralization, and pierce the bounding fault to the east (Friday Fault). This hole terminated in unmineralized country rock. The collar location for this hole is located 200 meters west and 10 meters south of previously reported **PFR2009-10 which returned 2.66 g/t gold over 198.4 meters (including 3.81 g/t gold over 121.1 meters, including 9.16 g/t gold over 25.3 meters, and 30.60 g/t gold over 1.8 meters).**

PFR2010-5 returned 0.9 g/t gold over 267.0 meters, including 1.5 g/t gold over 72.2 meters, including 3.4 g/t gold over 11.0 meters and terminated in mineralization .

This hole is a 404 meter drill hole that encountered mineralization and alteration similar to PFR2010-1, PFR2010-2, and PFR2010-3. The collar location for this hole is 35 meters north and 35 meters west of previously reported **PFR2010-3 which returned 2.23 g/t gold over 157.9 meters, including 3.65 g/t gold over 74.4 meters.** The orientation of this hole is a -70 degree dip and drilled to the west. Positive results from this hole confirm continuity of mineralization in the Lower Block to the north along strike.

PFR2010-6 returned 0.5 g/t gold over 226.0 meters, including 2.5 g/t gold over 16.4 meters and terminated in mineralization.

This hole is a 390 meter drill hole that encountered mineralization and alteration similar to PFR2010-1, PFR2010-2, and PFR2010-3. This hole is at the same collar location as PFR2010-5 and was drilled to the west at a -55 degree dip. The plan for this hole was to test the Upper-Lower Block contact and gain valuable data with respect to the total offset of mineralization between the Upper and Lower Blocks due to the shallow dipping thrust fault.

See attached Cross Section & Long Section of the Zone

To date, Drill-1 has completed 4,108 meters of drilling and Drill-2 has completed 1,081 meters of drilling for a total of 5,189 meters of HQ size core drilled in 15 holes.

Quality Assurance

The Company has implemented a rigorous QA/QC program using best industry practices at the Friday-Petsite Property. As described in the Company's News Releases of July 9th, 2009 and December 29th, 2009 the program includes chain of custody of samples, drill core sawn in half and shipped in sealed bags, blind duplicates, blank samples and certified standards are inserted in the sample stream. The samples are then boxed and couriered to Acme Analytical Laboratories of Vancouver, B.C. a lab certified for the provision of assays and geochemical analyses (ISO 9001:2008). In Phase-Three, as with Phase-Two and Phase-One, samples with gold values greater than 10 g/t are re-analyzed via the metallic screen procedure. Samples with visible gold were also analyzed initially using the metallic screen analysis, as were the samples immediately preceding and following the sample with visible gold.

Qualified Person

The 2010 Phase-Three exploration program is being directed by Michael Ostenson, P.Geo., VP Exploration of Premium Exploration Inc. Mr. Ostenson is a Qualified Person as defined by NI 43-101. Mr. Ostenson prepared, and approves of the content in this release.

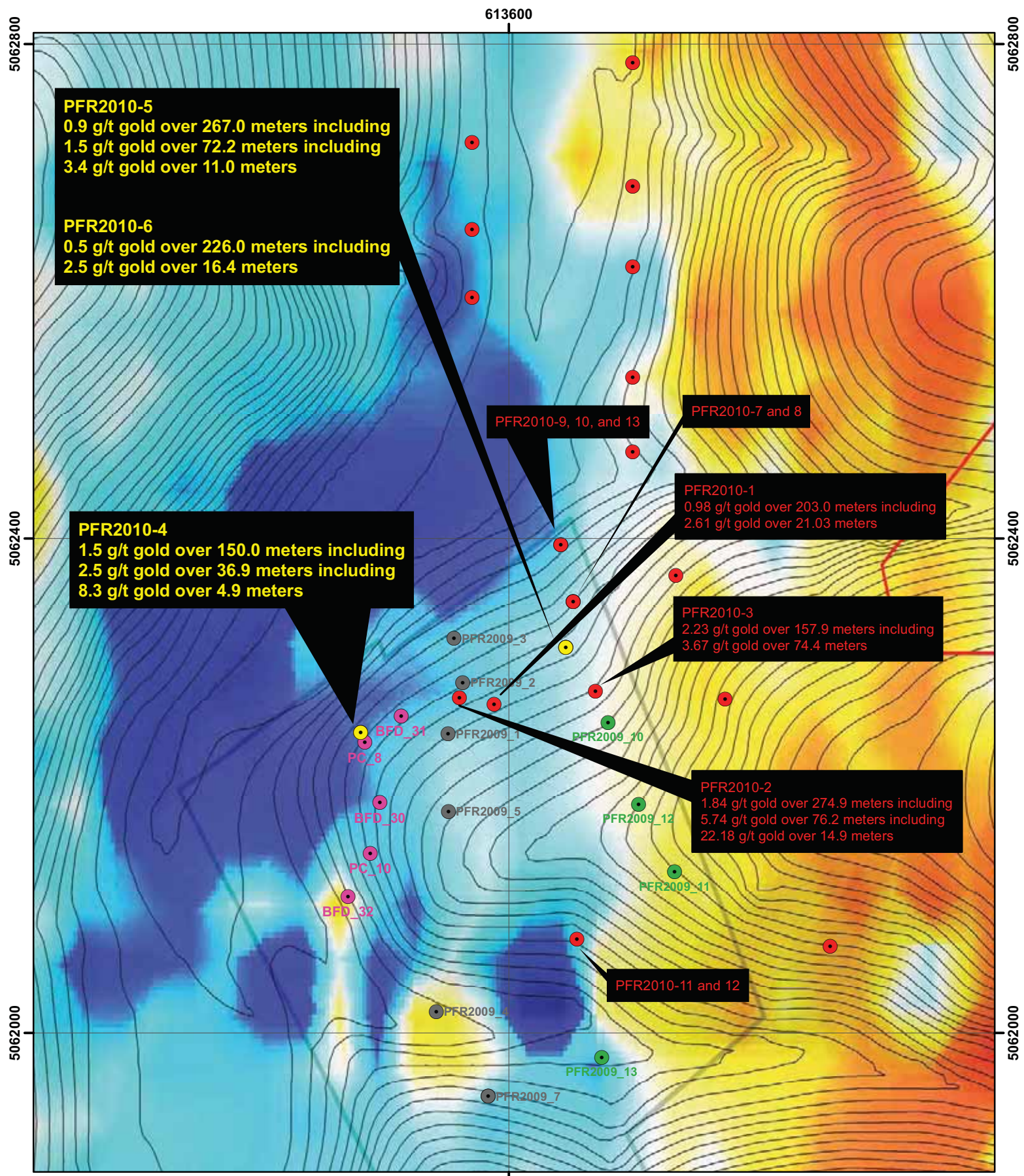
About Premium Exploration Inc.

Premium Exploration Inc. (TSX-V:PEM) explores and develops North American gold, silver, Platinum and Palladium. Our team is committed to unlocking mineral wealth for our shareholders by discovering, developing, and permitting precious metals assets to production. The Company's portfolio includes one of the largest land packages in [Idaho](#) which includes an the Friday-Petsite NI 43-101 inferred gold resource hosted in 15.17 million tones averaging 1.1 g/t gold at a cut-off grade of 0.5 g/t, as well as a PGM exploration project in [Montana](#). For additional information, please visit us at www.premiumexploration.com.

For More Information Please Contact:

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This press release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Security Exchange Act of 1934, and involves a number of risks and uncertainties. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the TSX Venture Exchange and the British Columbia Securities Commission. All statements, other than of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.



Phase-3: Drill Plan
Friday-Petsite Project
Orogrande Shear Zone
Idaho, USA

0 25 50 100 Meters

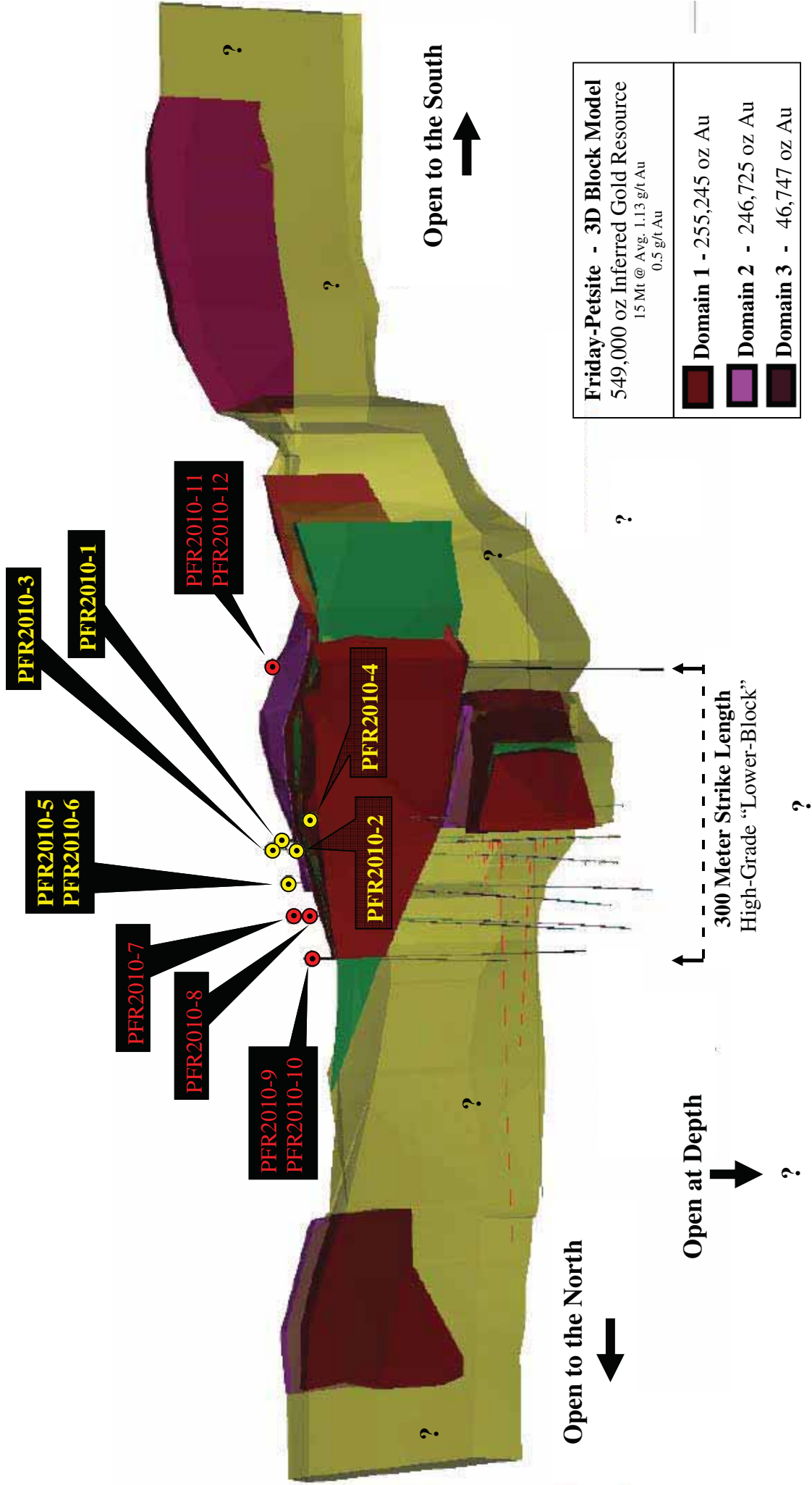
UTM NAD83 Zone 11 North

Magnetic Geophysics

- Mag High
- Mag Mid
- Mag Low

- 2010 Phase 3 DH Reported This Release
- 2010 Phase 3 DH Completed / Planned
- 2009 Phase 2 DH - Previously Released
- 2009 Phase 1 DH
- Friday Historic Core DH
- Premium Exploration Patented Claims
- Premium Exploration Claim Block





Open to the North

Open to the South

Open at Depth

300 Meter Strike Length
 High-Grade "Lower-Block"



**Phase-Three Drilling - Long Section
 Looking East**
 Friday-Petsite Project
 Orogrande Shear Zone
 Idaho, USA

? - Potential Multi-Million Oz Target