



17 May 2011

Company Announcements Office
ASX Limited

ANNOUNCEMENT BY PREMIUM EXPLORATION INC.

"Premium Exploration Reports Silver at Monday Zone Discovery at 30 km Emerging Gold District in Idaho"

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). Ausmon has a significant investment of 11,500,000 shares in Premium Exploration Inc. (Premium).

John Wang
Executive Director/Secretary



Premium Exploration Reports Silver at Monday Zone Discovery at 30 km Emerging Gold District in Idaho

May 16, 2011

May 16, 2011, Vancouver, British Columbia: Premium Exploration Inc. (TSX-V:PEM) ("Premium" or "the Company") is pleased to announce over-limit silver results for previously released Phase-Three drill-hole PFR2010-22 (see release Feb 8th,2011). PFR2010-22 returned 3 elevated silver assays grading 153, 100, and 93 g/t Ag in its new Monday Zone discovery along the Idaho Gold Project, 100% owned by Premium.

Hole ID	Zone	From M	To M	Length M	Au g/t	Ag g/t
PFR2010-22	Monday	332.8	333.8	1.0	0.6	153.0
		608.4	609.3	0.9	0.4	100.0
		623.0	623.9	0.9	0.1	91.0

"The high silver values represent a unique characteristic of the Monday Zone. This is a significant discovery and will be followed up during the 25,000 meter drill program currently underway", stated Michael Ostenson, P.Geo., VP Exploration of Premium Exploration.

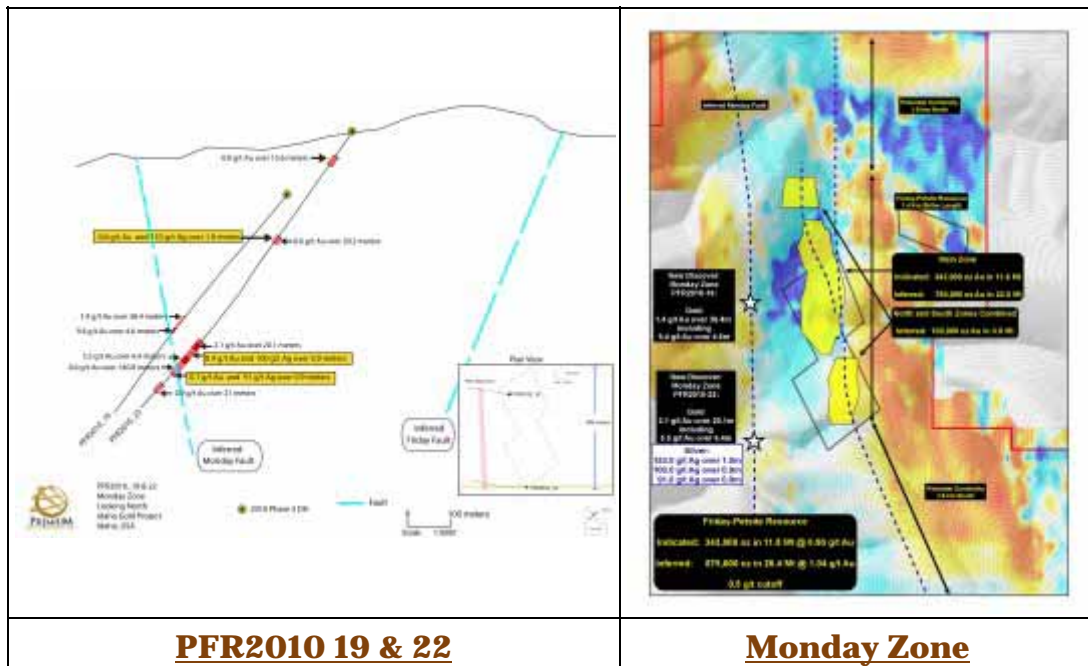
PFR2010_22 returned: 2.1 g/t Au over 20.1 meters including 5.5 g/t Au over 6.4 meters, 153 g/t Ag over 1.0 meter, 100 g/t Ag over 0.9 meters and 91 g/t Au over 0.9 meters.

It was the second discovery drill-hole to intersect the structure called the "Monday Fault". The drill hole drilled west at a -55 dip, successfully intercepting the new Monday Fault along the same geophysical-structural anomaly as previously released **PFR2010-19 which returned 1.4 g/t Au over 38.6 meters**. PFR2010_22 was completed at 818.5 meters down-hole depth terminating in anomalous gold mineralization.

PFR2010-22 is located 900 meters south of PFR2010-19, and collectively, the two holes exhibit similar alteration, mineralization, and geochemistry, demonstrating 900 meters of potential continuity along the Monday Fault Zone.

The Monday Zone remains open in all directions and is defined by a 5 km geophysical anomaly. To date, geophysical anomalies drilled by Premium have encountered significant mineralization.

The silver along the Monday Zone is a new discovery at the Idaho Gold Project. Follow up drilling on the Monday Zone is planned in the Phase-Four 2011 drill program.



PFR2010-22 Highlights:

Hole ID	Zone	From M	To M	Length M	Au g/t
PFR1010-22	Monday	71.0	86.6	15.6	0.8
<i>as well as</i>		300.8	321.0	20.2	0.6
<i>as well as</i>		629.4	770.2	140.8	0.6
<i>including</i>		629.4	649.5	20.1	2.1
<i>including</i>		643.1	649.5	6.4	5.5
<i>as well as</i>		749.2	770.2	21.0	0.9

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. ALS Chemex is the check laboratory for the program.

Qualified Person

The 2010 Phase-Four 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.

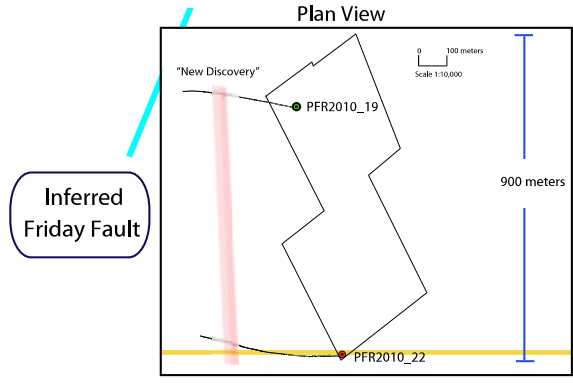
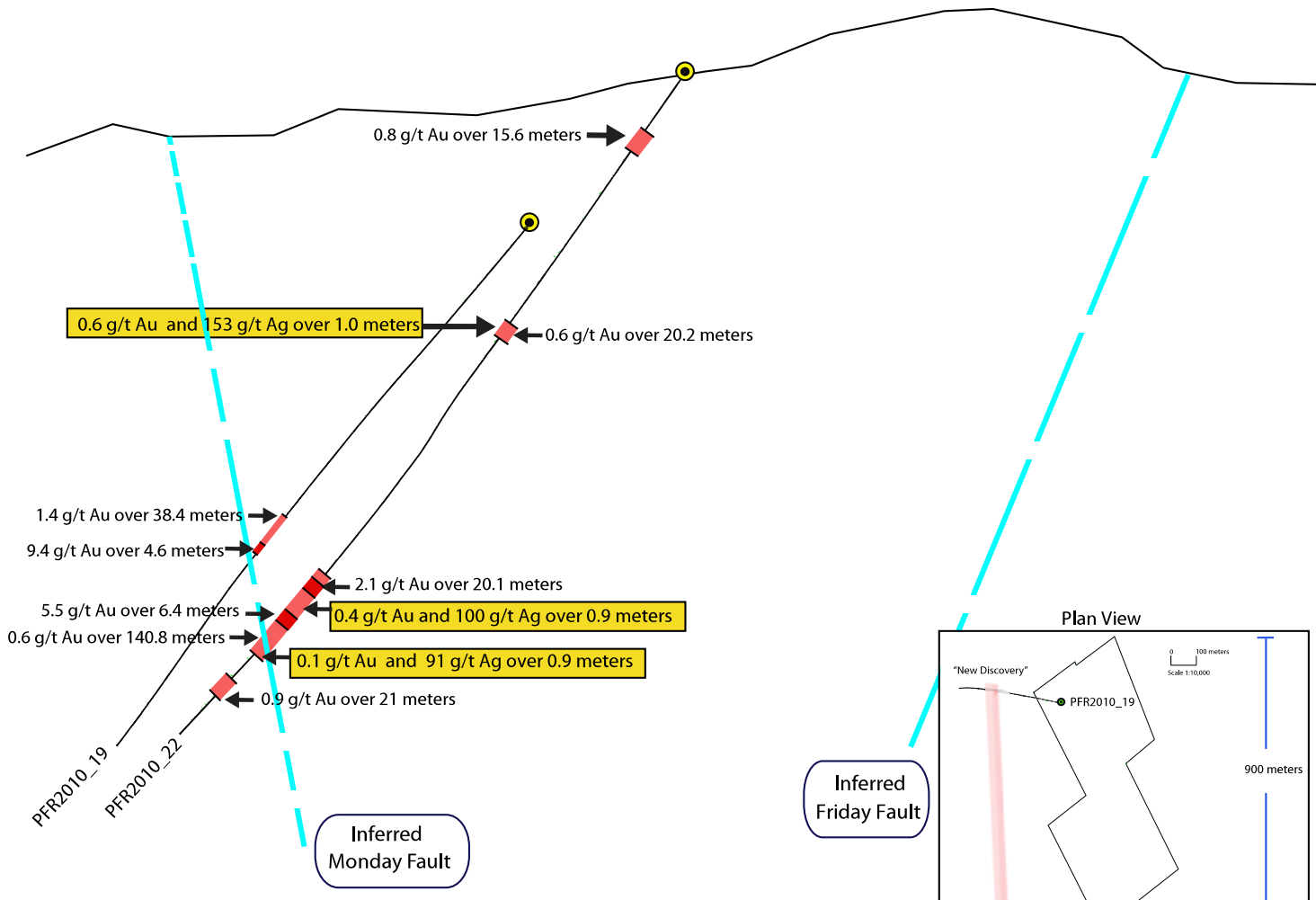
About Premium Exploration Inc.


Premium Exploration Inc. (TSX-V:PEM) is focused on gold exploration at its district-sized Idaho Gold Project along the Orogrande Shear Zone in North-Central Idaho, USA. The "OSZ" is a +30 km regionally-significant trending structure with multiple known zones of gold mineralization, similar to many large gold belts, like the Carlin Trend in Nevada. Armed with a proven exploration strategy, advancing gold resources, and 30 Km of drill-ready targets, Premium is well positioned to create shareholder value through exploration and the development of this emerging gold district.

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.





 PREMIUM EXPLORATION INC.

PFR2010_19 & 22
 Monday Zone
 Looking North
 Idaho Gold Project
 Idaho, USA

● 2010 Phase 3 DH

— Fault

0 100 meters
Scale 1:5,000



