



23 March 2011

Company Announcements Office  
ASX Limited

**ANNOUNCEMENT BY PREMIUM EXPLORATION INC.**

**" Premium Exploration Identifies Potential Mineralized Structures at Depth in Buffalo Gulch and Deadwood Zones at Idaho Gold Project"**

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 strategic stake of 5,750,000 shares and 5,750,000 warrants in Premium Exploration Inc. (Premium).

John Wang  
Executive Director/Secretary



## **Premium Exploration Identifies Potential Mineralized Structures at Depth in Buffalo Gulch and Deadwood Zones at Idaho Gold Project**

March 22, 2011, Vancouver, British Columbia: Premium Exploration Inc. (TSX-V:PEM) ("Premium" or "the Company") is pleased to report initial results of the Induced Polarization (IP) geophysical surveys conducted along the Buffalo Gulch and Deadwood Zones at its 100% owned Idaho Gold Project in north-central Idaho, USA. Results of the IP surveys in the Buffalo Gulch and Deadwood Zones reveal potential mineralized feeders at depth and indicate similar structural geometry to the Friday Fault located 15 km to the south, along which the Friday-Petsite inferred gold resource of 549,000 oz is located (15 Mt @ 1.1 g/t Au with 0.5 g/t Au cut-off).

### **IP Dipole-Dipole Highlights:**

- High chargeability/resistivity indicates a potentially mineralized structure from surface to 300m depth
- Buffalo Gulch and Deadwood exhibit similar geologic model and westerly dipping structural orientation to Friday Zone mineralization
- IP results correlate with airborne geophysics and gold-in-soil anomalies

*"The IP anomalies display potentially mineralized structures at depth in the Buffalo Gulch and Deadwood Zones which will be drill tested in the 2011 Phase-4 drill program," stated Mike Ostenson, VP Exploration of Premium Exploration. "This is very significant as the anomalies share similarities with the Friday-Petsite deposit where high-grade structurally controlled mineralization was discovered at depth. We have only scratched the surface of this project's growth potential; it's going to be an exciting and prospective year for our shareholders."*

### **2010 Idaho Gold Project Geophysics Summary**

During the 2010 field season, Premium Exploration acquired three different types of geophysical data at the Idaho Gold Project, including 114 line km ground magnetics, 30 km x 5 km Dighem Airborne, and 8.4 line km Dipole-Dipole Array Induced Polarization (IP) surveys.

#### *Ground Magnetics*

- Ground magnetic surveys were done at the Buffalo Gulch, Deadwood, and Friday Zones. Advanced processing of the ground magnetic data provided high resolution of the fault systems. All surveys showed the presence of fault structures within each zone,

confirming geophysics was an effective tool for identifying potential mineralized structures, culminating in the regional Airborne Survey.

### *Airborne Survey*

- The Dighem airborne survey EM data outlined the Orogrande Shear Zone (OSZ) as a 30 km conductive anomaly, delineated fault structures, and identified priority targets. These correlate with gold-in-soil anomalies and drill intercepts along the OSZ suggesting the various mineralized zones are a part of main mineralizing system.

### *Induced Polarization (IP)*

- Targets were followed up with three lines of induced polarization at the Buffalo Gulch Zone and three lines at the Deadwood Zone for a total of 8.4 km. The resistivity and chargeability results show prominent westerly dipping anomalies in both zones, similar to the Friday Fault, indicating the presence of large potentially mineralized structures.
- High chargeability and resistivity typically indicate the presence of sulphides and silicification, both of which are associated with gold mineralization at the Idaho Gold Project.

*"Collectively, the different geophysical surveys indicate and delineate fault structures, alteration, and sulfide mineralization indicating the best targets for potential gold mineralization. When correlated with gold-in-soils, past drilling, and mapping, Premium has the tools in hand for making multiple new discoveries in its Phase-Four drilling and exploration program,"* stated Mike Ostenson.

### **Historic Resources:**

Deadwood Zone hosts a historic deposit of 57,500 oz in 2.6 Mt @ 0.8 g/t Au with a 0.4 g/t Au cut-off (see disclaimer). The historic deposit is located within 1.0 km of 8 km gold-in-soil and geophysics anomalies and remains open along strike and depth.

Buffalo Gulch Zone hosts a historic 111,000 oz indicated gold resource in 4.8 Mt @ 0.8 g/t Au with a 0.4 g/t Au cut-off (see disclaimer). The historic resource is located within 0.5 km of 4.0 km of soil & geophysical anomalies and remains open along strike and depth.

**Disclaimer: All estimates of historic gold resources are historical in nature, predate and are noncompliant with NI 43-101.** Premium is not treating the historical estimate as current mineral resources or reserves. Premium has not undertaken any independent investigation of

the resource estimates nor has it independently analyzed the results of the previous exploration work in order to verify the resources, and therefore the historical estimates should not be relied upon. The historical classes used by Idaho Gold Corporation, a subsidiary of Bema Gold, are different from current CIM classes, however, they might be comparable to the CIM inferred or indicated resource classes.

### **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 samples with visible gold.

### **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 land package along the Orogrande Shear Zone ("OSZ") in North-Central Idaho, USA; the 4th largest gold producing country in the world. The "OSZ" is a +30 km regionally-significant trending structure with multiple known zones of gold mineralization and is 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, discovery, and the development of this emerging gold district.

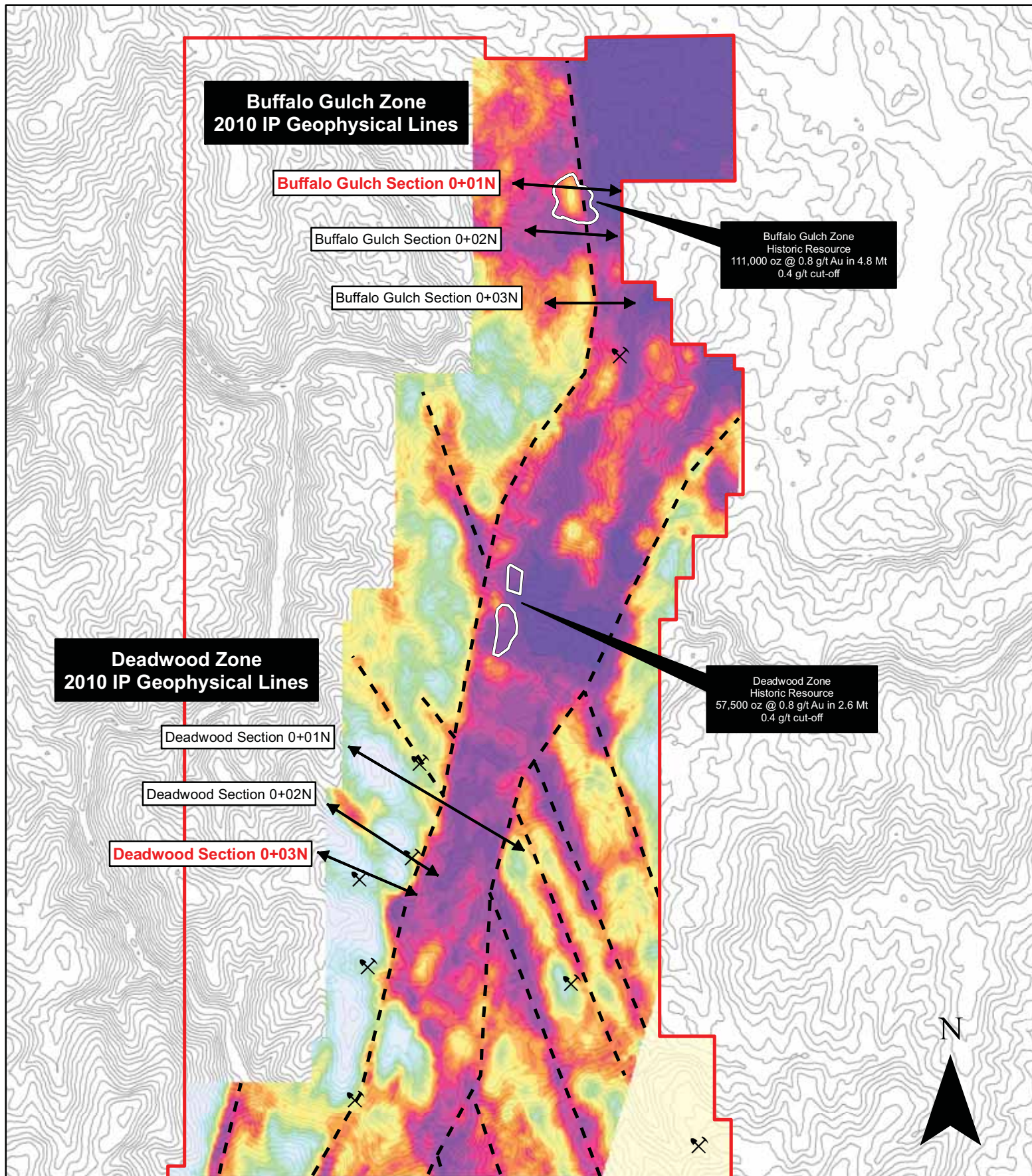
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"Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release."

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.





**Induced Polarization Dipole-Dipole Section Lines and Airborne Geophysics**

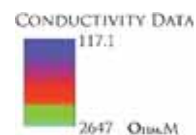
**Idaho Gold Project**

**Orogrande Shear Zone**

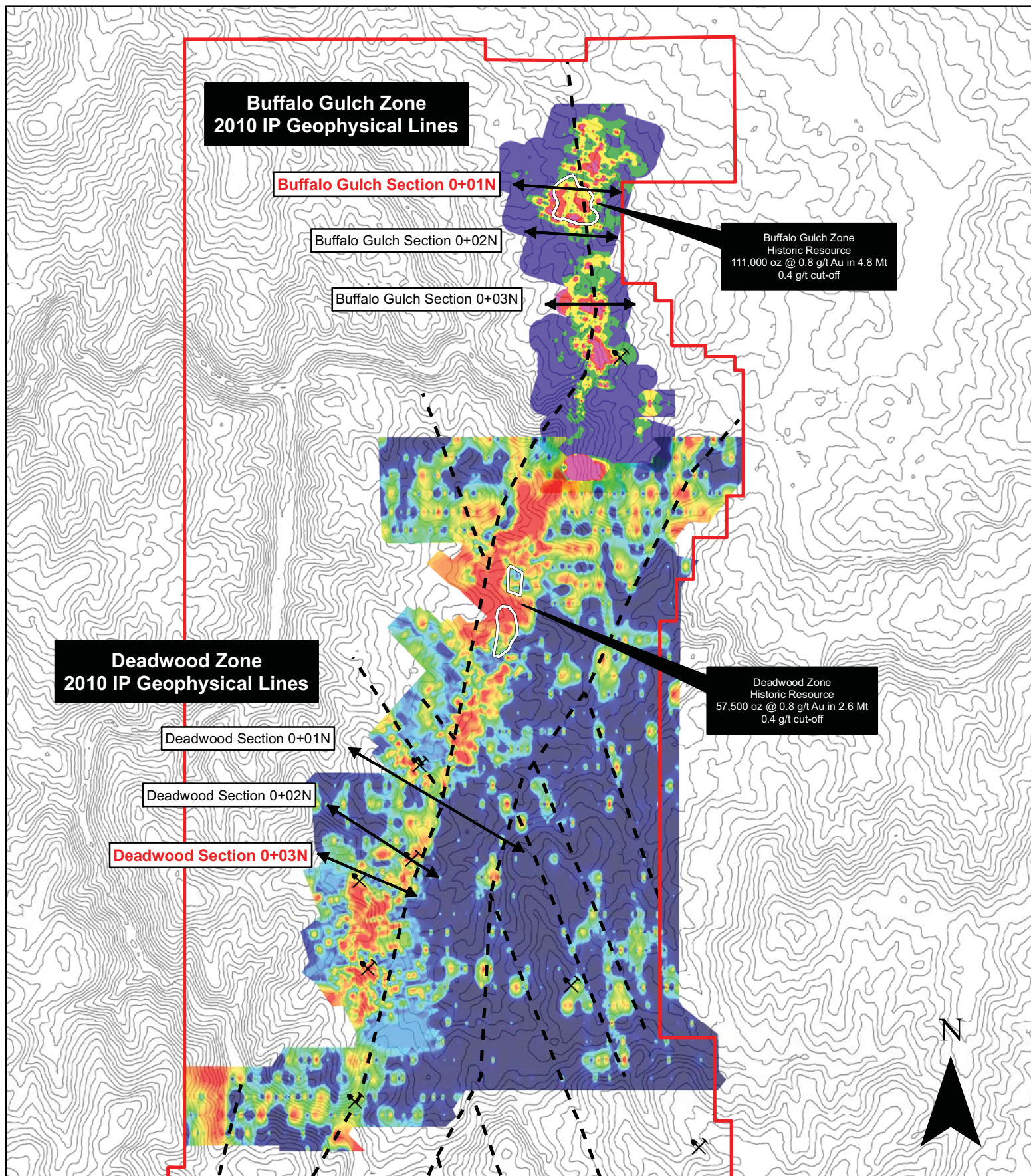
**Idaho, USA**

0 0.5 1 Kilometers

- Historic Mines
- IP Lines
- Interpreted OSZ Structures - Targets
- PEM\_IdahoGoldProjectClaimBoundary\_2011
- Premium Exploration Patented Claims

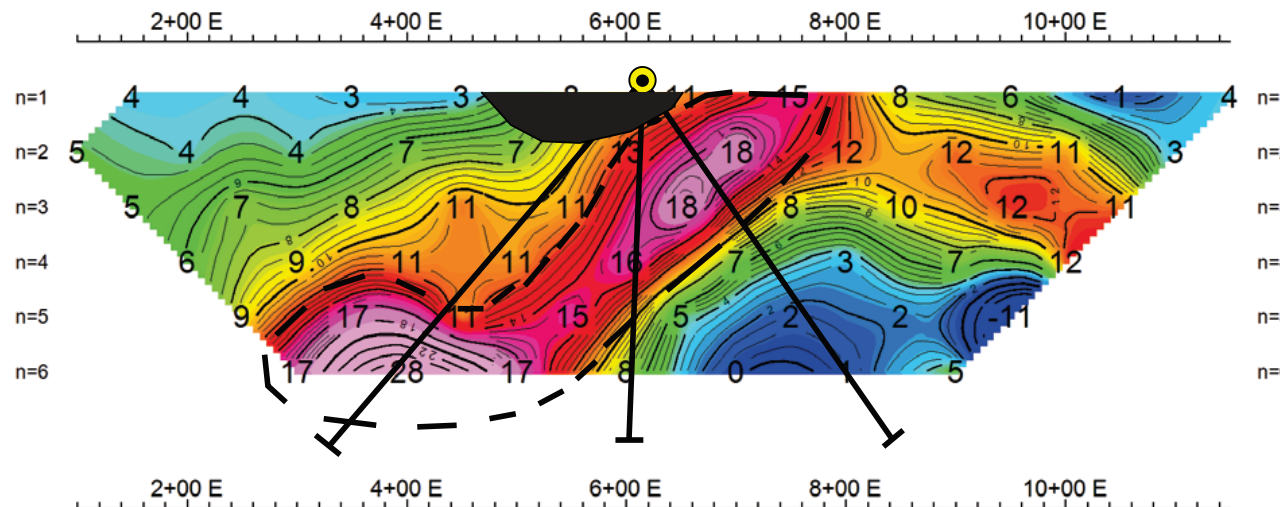






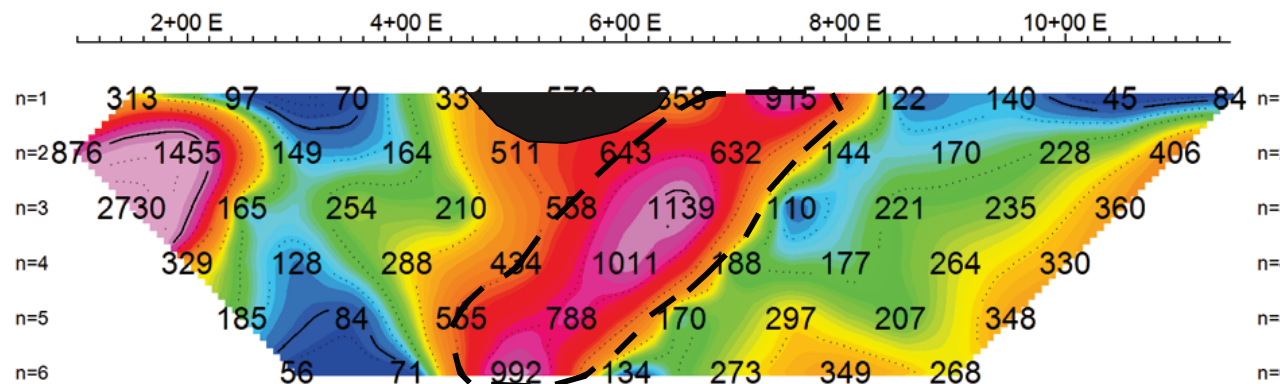


Average IP  
mV/V



Average IP  
mV/V

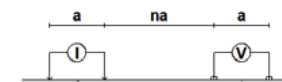
Resistivity  
Ohm\*m



Resistivity  
Ohm\*m

## Pseudo Section Plot 0+01 N

Dipole-Dipole Array



a = 100 m

Logarithmic  
Contours  
1.5, 2, 3, 5, 7.5, 10,...

Premium Exploration

INDUCED POLARIZATION SURVEY  
Buffalo Gulch

Date: 21/02/2011  
Interpretation:

Gradient Geophysics, Inc.

GRADIENT GEOPHYSICS, INC



Induced Polarization Geophysical Survey  
Buffalo Gulch Zone  
Idaho Gold Project  
Idaho, USA

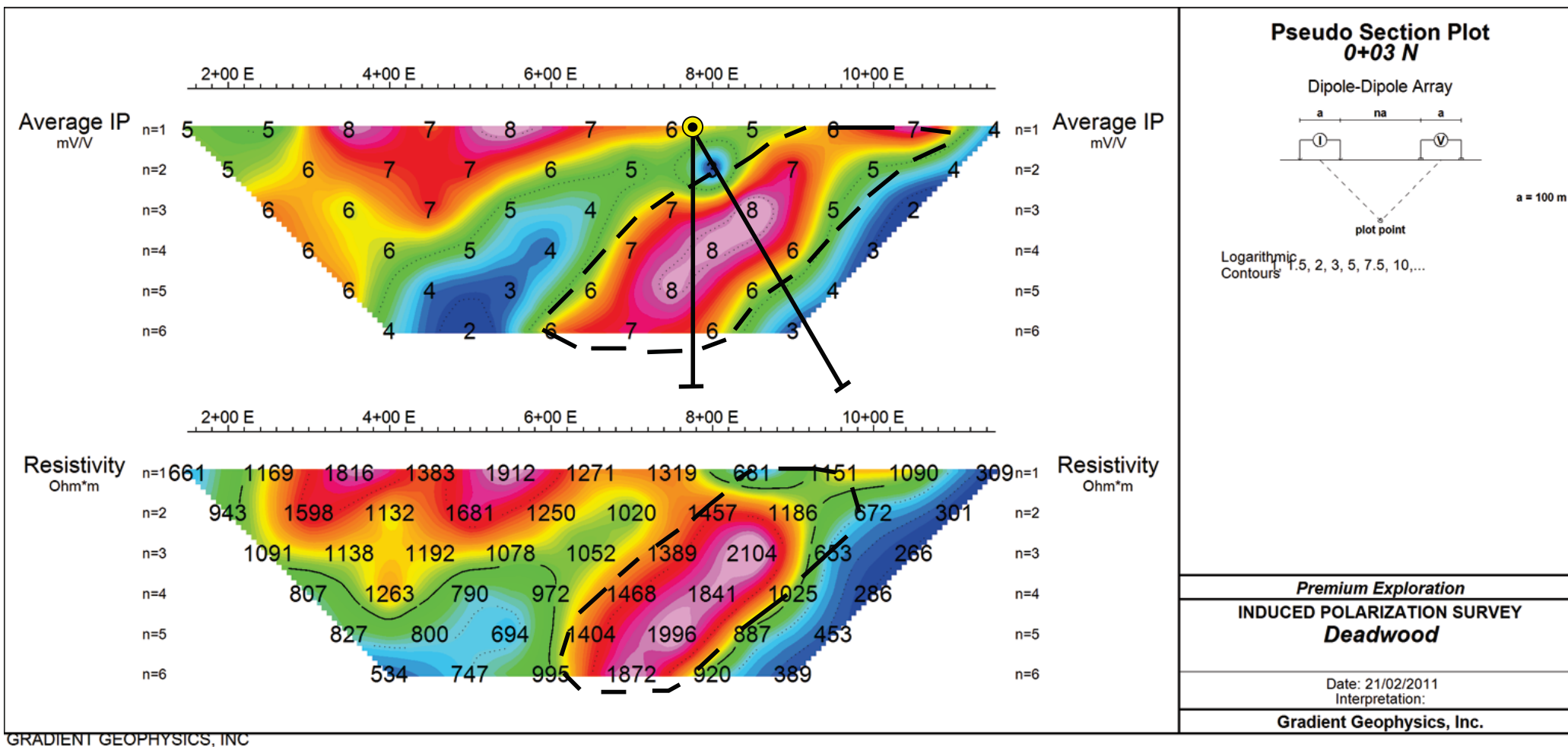
Planned 2011 Phase 4 Drill holes

Potential High Grade Target

Buffalo Gulch Historic Resource







GRADIENT GEOPHYSICS, INC



Induced Polarization Geophysical Survey  
Deadwood Zone  
Idaho Gold Project  
Idaho, USA

● Planned 2011 Phase 4 Drill holes

--- Potential High Grade Target

