



27 October 2010

Company Announcements Office
ASX Limited

ANNOUNCEMENT BY PREMIUM EXPLORATION INC.

"Extends Friday-petsite Main Zone 100 Meters North With 200 Meters Of Gold Mineralization; Deposit 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). 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



Extends Friday-petsite Main Zone 100 Meters North With 200 Meters Of Gold Mineralization; Deposit Remains Open Along Strike And Depth

Oct. 26, 2010

Premium Exploration Inc. ("Premium" or the "Company") announces that drilling has extended the north-south trend of the Friday-Petsite Main Zone approximately 100 metres north reducing the gap between the North and Main Zones at the Friday-Petsite Gold Project in Central Idaho, USA. PFR2010_16 encountered 1.0 g/t gold over 75 metres within a broader interval of 0.8 g/t gold over 155.8 metres while PFR2010_17 encountered 1.0 g/t gold over 126.2 metres within a broader interval of 0.8 g/t gold over 206.7 metres. With the addition of these holes mineralization is interpreted as being contiguous along strike to the North Zone containing historic gold-rich holes PC20 and PC21, which returned 1.6 g/t Au over 108.5 meters and 1.0 g/t Au over 79.6 meters, respectively.

PFR2010_16 & 17 were drilled from the same collar and oriented to the northwest with -60 and -50 degree dips to test the extension of alteration and mineralization along the Friday Fault to the north, between the Main and North Zones, In addition; an interpreted "dilatant" structure was tested; a high grade feature commonly associated with Shear Zones.

Both holes terminate 100 meters north PFR2010_10 & 13 (previously the northern most drill holes in the Main Zone released September 20th, 2010) and 200 meters south of historic PC20 & PC21 within the North Zone. Total project drilled strike length is now 1,000 meters.

Hole ID	From M	To M	Length M	Au g/t
PFR2010-16	211.2	367.0	155.8	0.8
	292.0	367.0	75.0	1.0
PFR2010-17	159.7	366.4	206.7	0.8
	176.2	302.4	126.2	1.0

Drill Sections and a 3D model can be viewed at www.Corebox.net or by following a link on the Company's website at www.premiumexploration.com.

Premium's intent is to extend the 1,000 meter strike length of the Friday-Petsite project by developing the Main Zone an additional 200 meters to the north, connecting the Main and North Zones for a total project strike length of 1,500 meters.

Planned drill holes PFR2010_23 and PFR2010_24 are designed to delineate the remaining 200 meters between the Main and North Zones and confirm continuity of mineralization.

PFR2010_23 will be a 200 meter step-out north from Premium's current mineralized 1,000 meter strike length and 50 meters north of the historic Kinross core holes PC-20 and PC-21. This hole will be drilled west to test for down-dip mineralization in the Lower Block. It is the furthest drill hole permitted to the north at this time.

PFR2010_24 will be located at the same collar as PFR2010_23 and drilled east, designed to locate the Friday Fault along the eastern boundary of the OSZ.

Drill Holes Pending Assays:

PFR2010_14 & 15 are designed to intercept the hanging wall mineralization and location of the Friday-Fault. Both were drilled from the same collar and located at the southern end of the Main Zone. These drill holes have visually intercepted characteristic sulphide mineralization and alteration in the interpreted Lower Block.

PFR2010_18 is an infill definition hole drilled steeply to the west providing structural and mineralization information.

PFR2010_19 was drilled to the west and is Premium's first pure exploration hole in 2010; designed to intercept the inferred west-bounding fault of the OSZ known as the Monday Fault. It has visually encountered sulphide mineralization and alteration characteristic of the OSZ.

PFR2010-20 is the southernmost drill hole, located 150 meters south of PFR2009_8 & 9 which returned 0.6 g/t Au over 124.1 m and 1.0 g/t Au over 11.6 m respectively. This drill hole has intercepted sulphide mineralization and alteration characteristic of the OSZ.

To Date:

Drilling has increased the Mineralized Strike Length to 1,000 meters (PFR2010_17 on the north and PFR2010_20 to the south), reached depths up to 300 meters, and mineralization is minimum 100 meters wide and remains open along strike and at depth.

Lower Block development has reached 500 meters of strike length between PFR2010_17 and previously released drill hole PFR2010_12.

All released drill holes (Phase-1, 2, & 3 = 27 holes) have encountered mineralization and are yet to be added to a resource estimate.

20 of ~25 planned drill holes are completed in 8,704 meters with assays pending for 6 of the completed holes.

District Development Overview:

Development is ongoing at the bulk-tonnage Friday-Petsite Project, the most advanced of several known mineralized zones located at the southern end of the 30 km of the OSZ and represents 4% of the OSZ under Premium's control.

The Friday-Petsite Zone is located along the east-bounding fault of the OSZ. Drilling at the Friday-Petsite is co-incident with a 3.0 km long by 800 meter wide gold-in-soil anomaly and a correlating ground magnetic geophysical survey outlining 3 km's of immediate local structure.

Premium has had 100% drill target intercept success in conjunction with ground-magnetic geophysics and soil sampling at the Friday-Petsite Project. Intercepts have ranged from lows of 0.5 g/t Au to highs of 2.6 g/t Au, in some cases over +100 meter intervals, as with PFR2009_10: 2.6 g/t Au over 198 meters including 3.8 g/t Au over 121 meters and 5 g/t over 75 meters.

Premium intends to utilize the same methodology to refine targets for a much larger Phase-Four exploration program along the Orogrande Shear Zone in Q1-2011.

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.

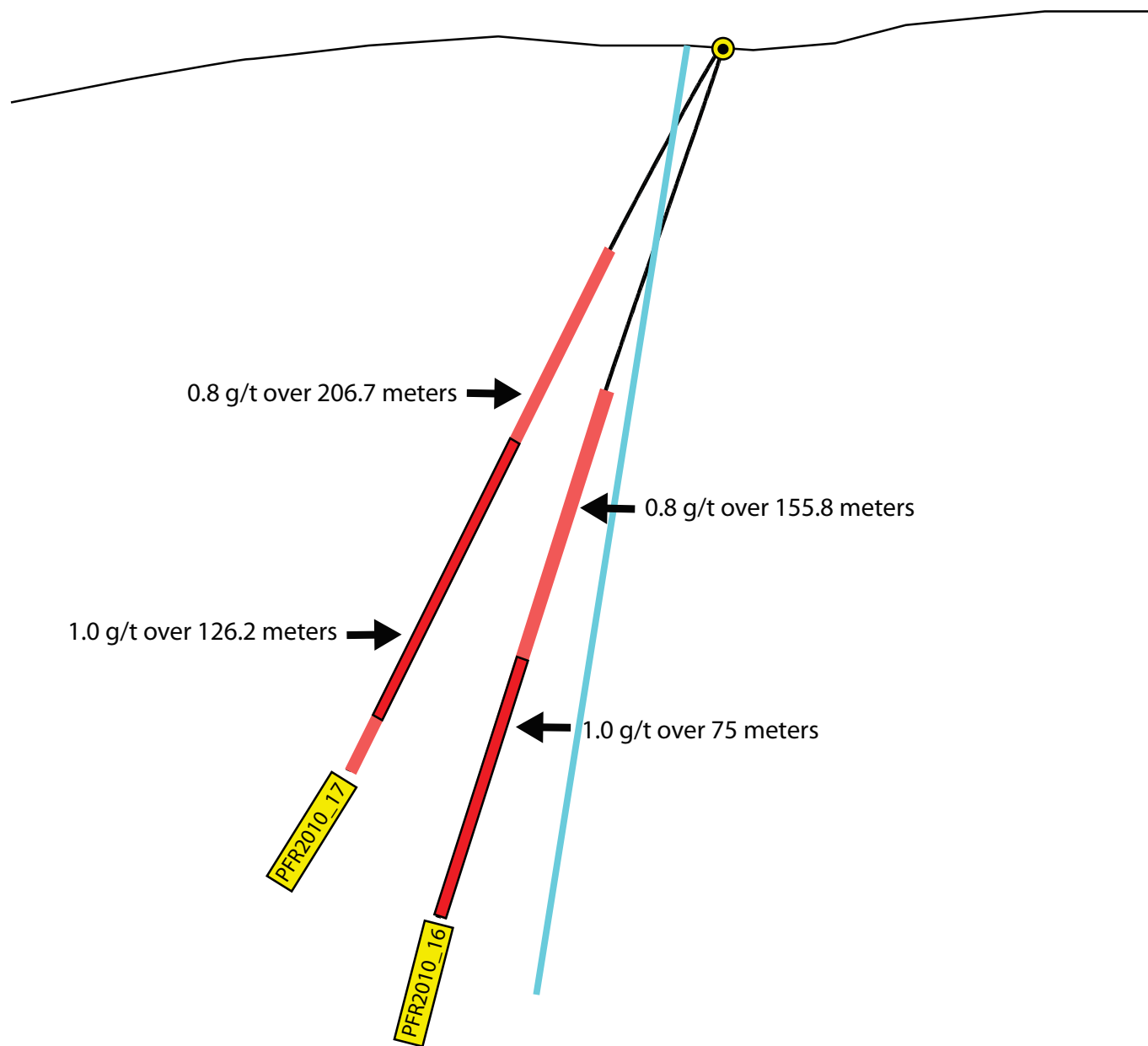
About Premium Exploration Inc.

Premium is focused on the exploration and development of its district-sized Orogrande Shear Zone "OSZ" to fulfill its vision of developing a new mining district in North America. The OSZ is a 30 km-plus regionally-significant trending structure that correlates with multiple known zones of gold mineralization and has structural control to its gold mineralization, characteristics similar to many large gold belts, such as the Carlin Trend of Nevada. Development is ongoing at the bulk-tonnage Friday-Petsite Project, the most advanced of several known mineralized zones located along the OSZ and represents 4% of the OSZ under Premium's control. For additional information, please visit us at www.premiumexploration.com.

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.

For more information, please contact:

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Cross Section PFR2010_16 and 17
Looking North
Phase III Drilling
Friday - Petsite Project
Orogrande Shear Zone
Idaho, USA

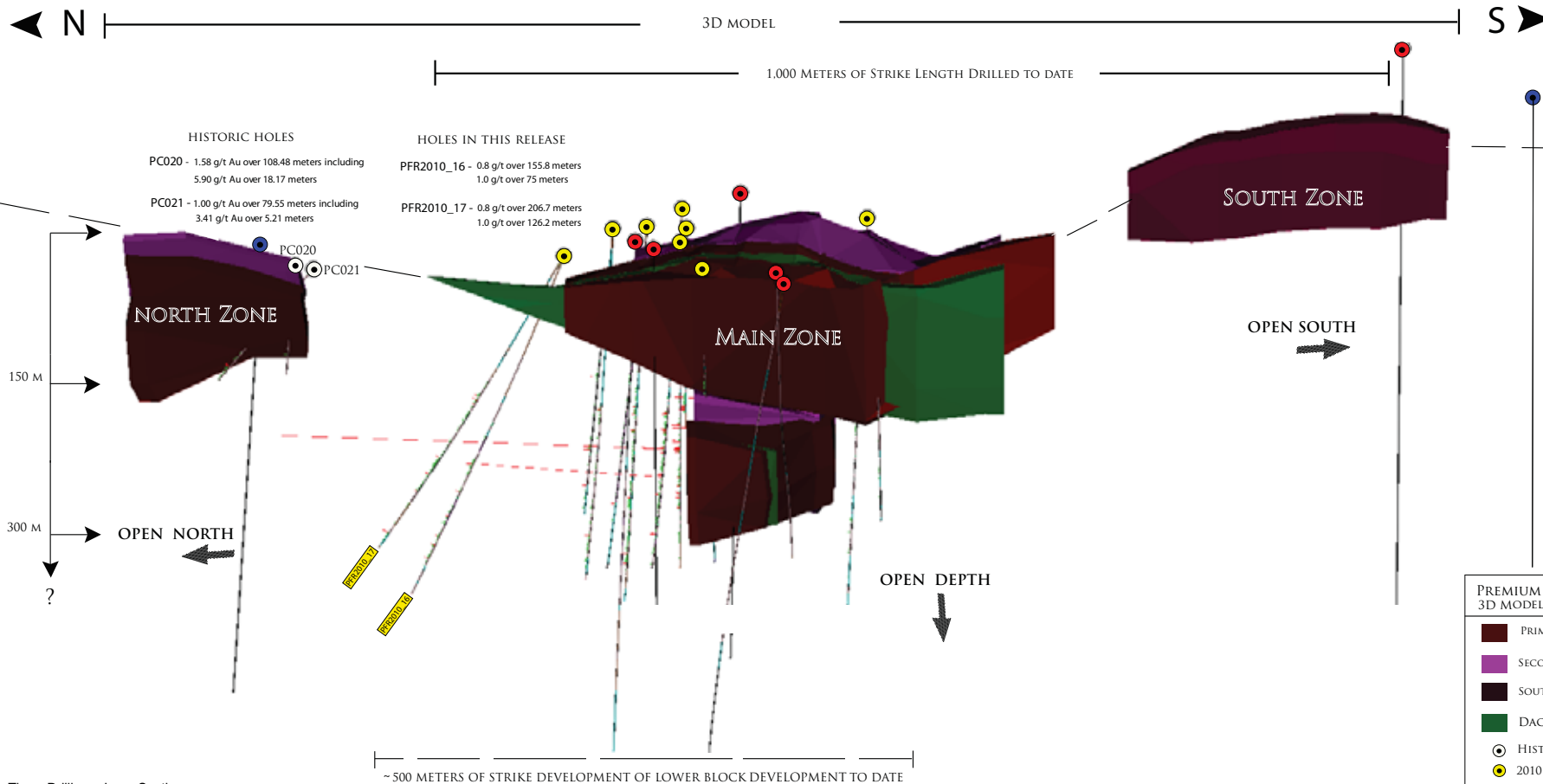


● 2010 Phase 3 DH Reported This Release

— Fault

0 50 meters
Scale 1:2500



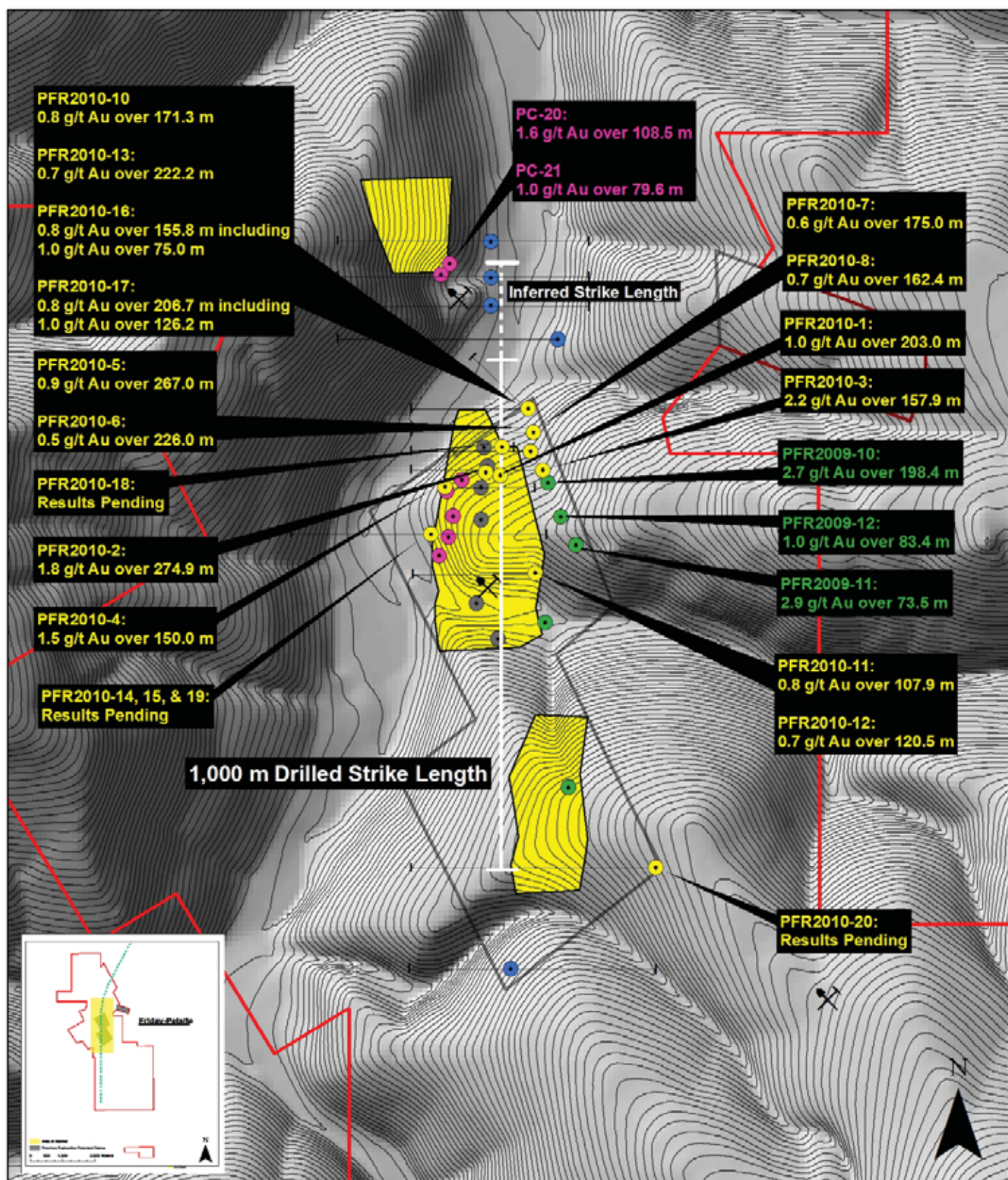


PREMIUM EXPLORATION 3D MODEL	
	PRIMARY SHEAR (DOMAIN 1)
	SECONDARY SHEAR (DOMAIN 2)
	SOUTHERN SHEAR SPLAY (DOMAIN 3)
	DACITE DIKE
	HISTORIC HOLES
	2010 RELEASED HOLES
	2010 PENDING HOLES
	2010 PLANNED STEP-OUT HOLES

100 M



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



**Phase-3: Drilling
Friday-Petsite Project
Orogrande Shear Zone
Idaho, USA**

0 62.5 125 250 Meters

- 2010 Phase 3 Planned DH
- 2010 Phase 3 DH Completed - In Progress
- 2009 Phase 1 DH
- 2009 Phase 2 DH
- Friday Historic Highlight DH
- Premium Exploration Patented Claims
- Friday-Petsite Claim Boundary
- 3D Model

