



29 March 2011

Company Announcements Office
ASX Limited

ANNOUNCEMENT BY PREMIUM EXPLORATION INC.

" Premium Exploration Announces Indicated & Inferred Resources at 30 km 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). Premium traded to a high of C\$0.83 and closed at C\$0.70 prior to the release of the announcement made after the market closed on 28 March 2011 in Canada.

John Wang
Executive Director/Secretary



Premium Exploration Announces Indicated & Inferred Resources at 30 km Idaho Gold Project

March 28 2011

Premium Exploration Inc. (TSX-V:PEM) is pleased to announce a revised NI 43 101 compliant resource estimate incorporating the results of the Company's Phase-Three 10,000 meter drill program at the Friday-Petsite deposit located in the Friday Zone of the 30 km 100% owned Idaho Gold Project.

The Friday-Petsite resource resides within 1.4 km of strike along the 30 km Orogrande Shear Zone and is comprised of three zones for which geophysics has shown to be contiguous:

Highlights:

- Main Zone hosts: **343,000 Indicated oz**
(800 m of 1.4 km strike length) **780,000 Inferred oz**
- North & South Zones host: **100,000 Inferred oz**
- Significant category upgrade of 343,000 oz to Indicated
- 60% increase of Inferred oz to 879,000
- Deposit remains open along strike and at depth within and outside the resource zone
- Premium anticipates the new resource will positively impact the Preliminary Assessment
- The deposit is open for expansion in +25,000 meter Phase-Four drilling

Part of the Phase-Four drill program, the north, main, and south zones will be tied together in one homogenous zone.

Cut-Off Grade (g/t Gold)	Classification	Tonnes	Grade (g/t Gold)	Ounces Gold
1.00	Indicated	2,918,000	1.56	146,000
0.75	Indicated	5,778,000	1.21	225,000
0.50	Indicated	11,818,000	0.90	343,000
0.25	Indicated	23,404,000	0.64	482,000
0.00	Indicated	38,120,000	0.44	542,000

Cut-Off Grade (g/t Gold)	Classification	Tonnes	Grade (g/t Gold)	Ounces Gold
1.00	Inferred	9,312,000	1.60	479,000
0.75	Inferred	16,641,000	1.28	683,000
0.50	Inferred	26,378,000	1.04	879,000
0.25	Inferred	37,077,000	0.84	1,007,000
0.00	Inferred	45,502,000	0.71	1,043,000

“With just over 10,000 meters of drilling, Premium not only doubled the overall ounces at the project, it also moved 343,000 ounces of the previous 549,000 inferred ounces into the indicated category,” stated Michael Ostenson, VP Exploration. “The strength of our geologic model and the ability to target the mineralizing structure using geophysics has allowed us to intersect mineralization in every drill hole at the Friday and Monday Zones.”

“We are very excited for the Phase-Four drill program; the geologic model indicates that the three resource zones are contiguous along the 1.4 km of strike and the deposit remains open along strike to the north, south and at depth outside of the resource zone. Phase-Four will consist of major step-out drilling with some infill at the Friday-Petsite deposit while a majority of the footage will focus on exploration drilling along the OSZ. Using our proven Exploration Strategy and Geological Model the focus will be +15 km north along the Deadwood and Buffalo Gulch Zones in an effort to make new discoveries.”



This mineral resource is derived from 60 diamond drill holes and 80 RC drill holes consisting of the validated (Micon, 2004) historic resource produced by Kinross Gold in 1999 (96 core and RC holes), Camden Capital, 2002 (5 core holes), Beartooth Platinum, 2004 (4 core holes), and 2009-2010 drilling by Premium Exploration USA (35 core holes).

The average drill hole spacing is 25 m within the area of interest and a total of 4911 composites of 3 m length capped at 34 g/t Au were employed in this estimate.

The mineral resource was estimated by ordinary kriging methods within a 3-D mineral envelope of gold grades ≥ 0.50 g/t.

The estimates were performed on material with similar geologic, alteration, and mineralogical characteristics. A search ellipsoid of 91 m X 73 m X 32 m was utilized for grade interpolation into 20 m X 20 m X 10 m blocks. As required under section 4.2 (5) (a) of NI-43-101, a technical report detailing this resource will be posted to SEDAR within 45 days of this announcement.

The mineral resource of this project is an Inferred and Indicated resource, consistent with the CIM definition of an Inferred and Indicated resource as referenced in NI-43-101. The effective date of this resource is March 28, 2011

Independent Qualified Person

Mr. Mark I. Pfau, P.G., of Tellurian Exploration, Inc., is the independent qualified person under NI-43-101 and the senior author of this mineral resource estimate. Ms. Yenlai Chee, project manager for Premium Exploration, performed the resource calculations using Gemcom® modeling software. Mr. Pfau has reviewed and approved of this press release for release on March 28th, 2011.

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.

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.

For more information, please contact:

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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."

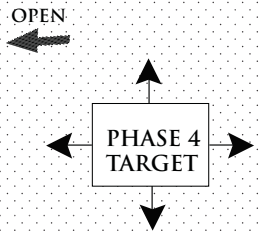
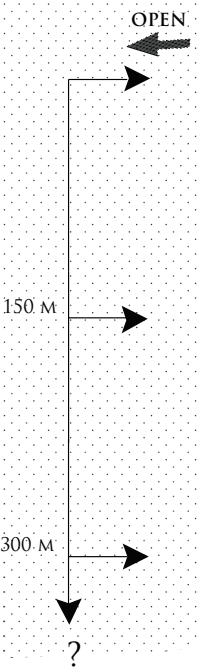
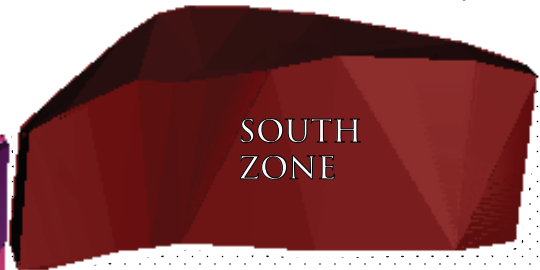
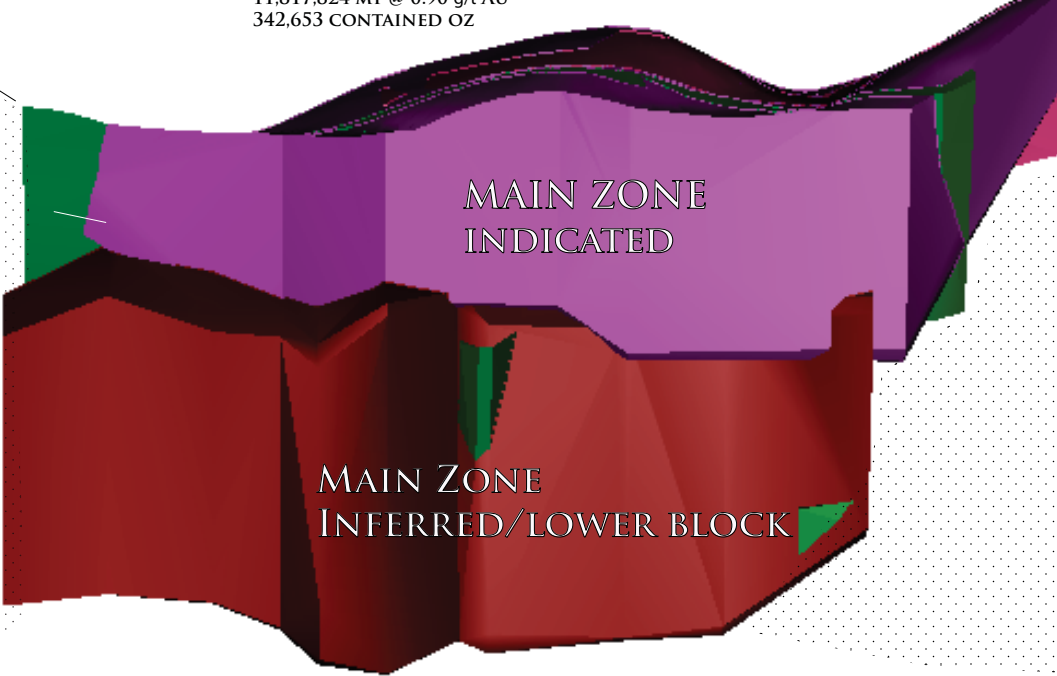
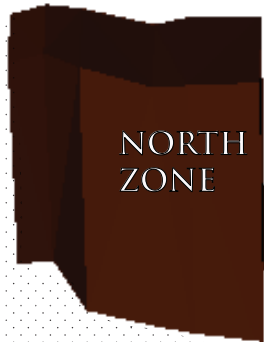
This press release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Security Exchange Act of 1934, and involves a number of risks and uncertainties. Important factors that could cause actual results to differ materially from the Company's expectations 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.

1,400 METERS OF STRIKE LENGTH DRILLED TO DATE

**NORTH AND SOUTH
INFERRED**
3,865,921.62 MT @ 0.80 g/t AU
99,727.36 CONTAINED OZ

**MAIN ZONE
INDICATED**
11,817,824 MT @ 0.90 g/t AU
342,653 CONTAINED OZ

**SOUTH
ZONE**

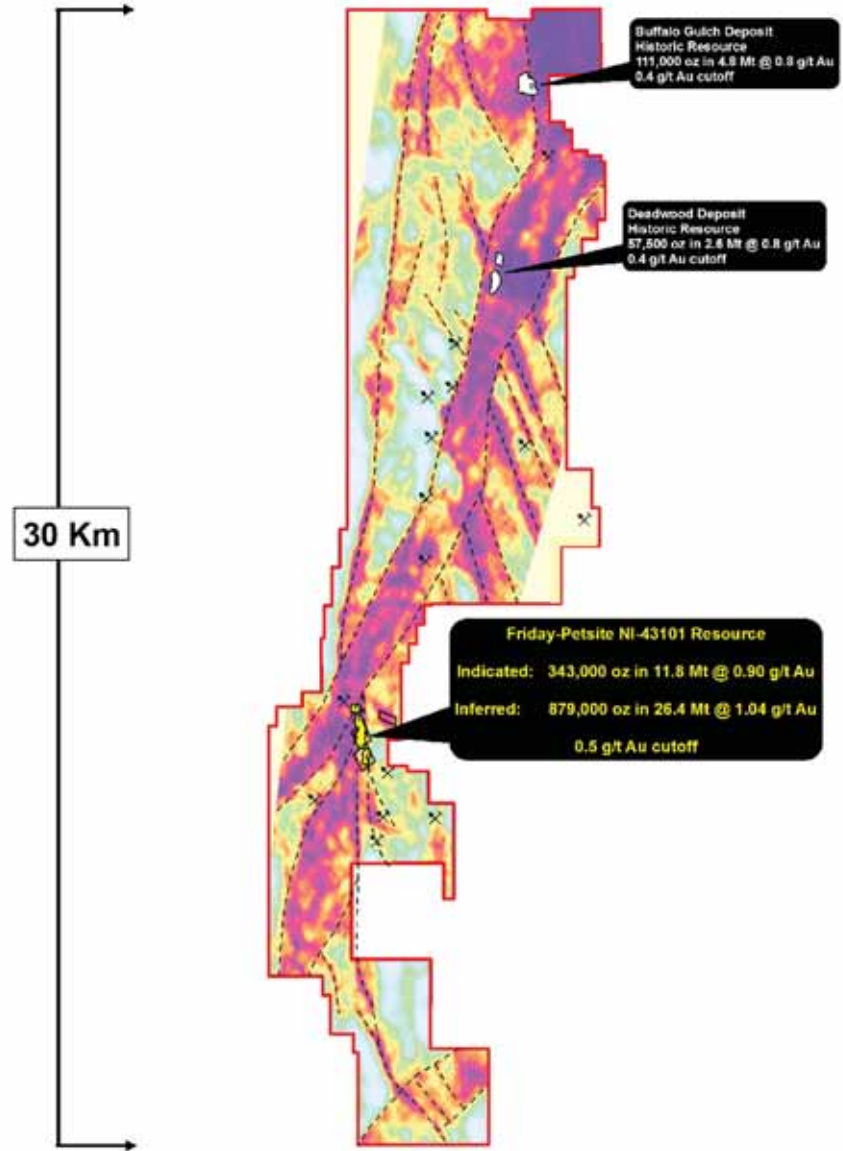
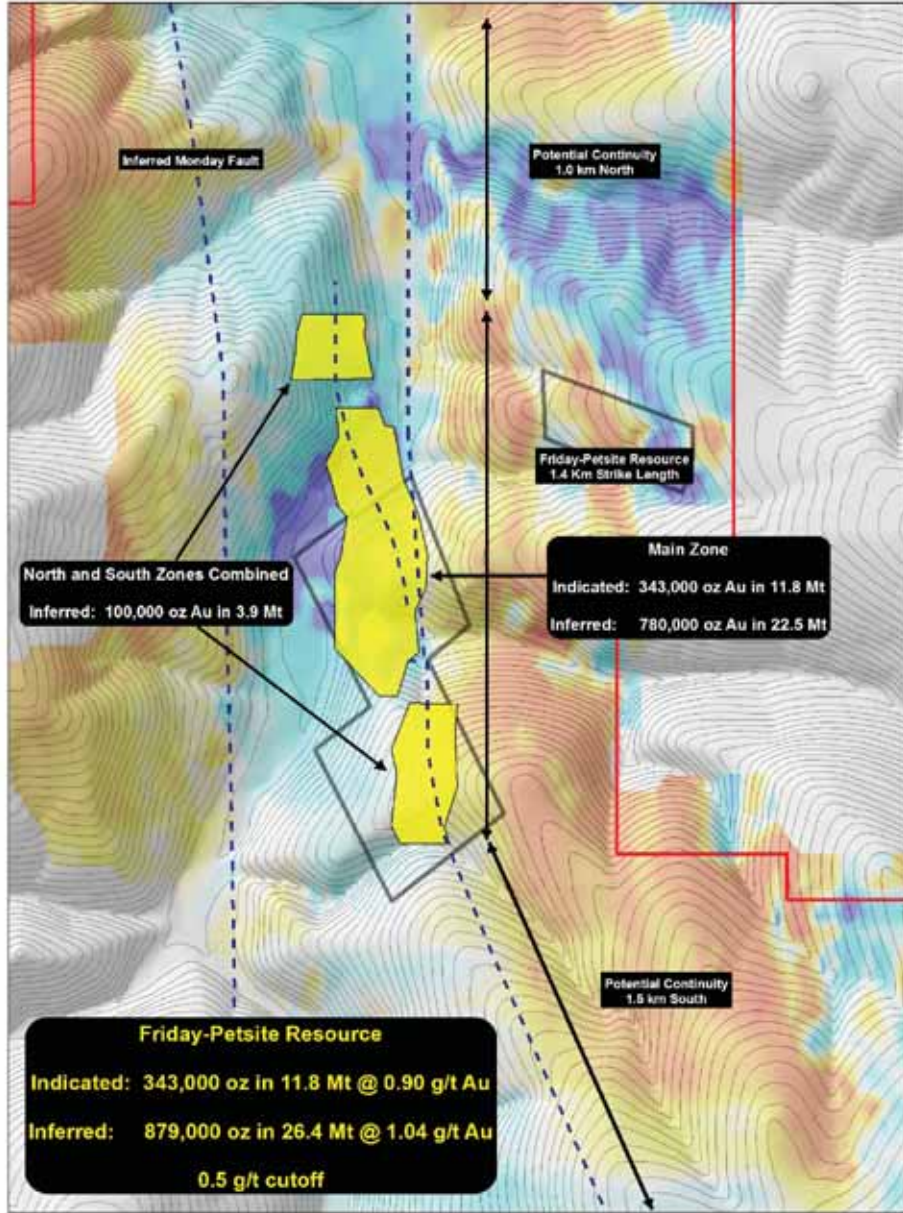


**LOWER BLOCK
INFERRED**
22,511,873.31MT @ 1.08 g/t AU
779,605.54 CONTAINED OZ

FRIDAY - PETSITE 3D MODEL	
INDICATED	11,817,824 MT @ 0.90 g/t AU 342,653 CONTAINED OZ
INFERRED	26,377,795 MT @ 1.04 g/t AU 879,333 CONTAINED OZ
	SOUTH ZONE
	MAIN ZONE
	NORTH ZONE
	DACITE DIKE
	LOWER BLOCK
	TARGET



Phase Three Drilling - Long Section
Looking East
Friday-Petsite Resource
Idaho Gold Project
Idaho, USA.



Friday-Petsite NI 43-101 Resource Update
Friday Zone
Idaho Gold Project
Idaho, USA

0 1.25 2.5 5 Kilometers

- ✕ Historic Mines
- - Orogrande Shear Zone Structures
- Friday-Petsite Resource
- Idaho Gold Project Claim Boundary
- Premium Exploration Patented Claims

Magnetic Geophysics

- Mag High
- Mag Mid
- Mag Low

CONDUCTIVITY DATA

