



7 May 2010

Company Announcements Office
ASX Limited

ANNOUNCEMENT BY PREMIUM EXPLORATION INC.

"Premium Exploration Provides Update on Rapidly Advancing Drill Program at Friday-Petsite Gold Project"

Ausmon Resources Limited (Ausmon) is pleased to attach a 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 Provides Update on Rapidly Advancing Drill Program at Friday-Petsite Gold Project

3:16 PM ET, May 6, 2010

VANCOUVER, BRITISH COLUMBIA, May 06, 2010 (MARKETWIRE via COMTEX) -- Premium Exploration Inc. ([PEM](#)) ("Premium") is pleased to provide an update on the Phase-Three drill program on the Friday-Petsite gold project in central Idaho. The Company has now completed the first two holes of Phase-Three and both drill holes have successfully intersected the same mineralized zone as encountered in hole PFR2009-10 of the Phase-Two program, which returned 2.66 g/t gold over 198.4 meters (650.9 ft) including 9.16 g/t gold over 25.3 meters (83.0 ft).

"It is very exciting to have the first two holes of our first major exploration program intercept the same geology which returned the best grades encountered at the project to date. Encountering the target zones corroborates Premium's geological model, confirms additional sulphide mineralization at depth and continues to demonstrate the Friday-Petsite's robust mineralization potential. With 9,449 meters (31,000 ft) to go, this is an excellent start to an exciting and well designed exploration program," stated Premium's Chairman and CEO, Wilf Struck, P.Eng.

Premium has drilled 568.3 meters (1,864.5 ft) in two holes and is currently drilling PFR2010-3. A plan map of the location of the first three Phase-Three holes is attached.

PFR2010-1 was a 219 meters (718.5 ft) vertical hole located 100 meters (328.1 ft) west and 15 meters (49.2 ft) north from PFR2009-10. PFR2010-1 encountered identical sulphides and geology as encountered in PFR2009-10; altered quartz monzonite and muscovite schist with moderate to intense sericite alteration and bottomed in 16.1 meters (53 ft) of Trachyte, a post-mineral dike.

PFR2010-2 was a 349.3 meter (1,146 ft) vertical hole located 129 meters (423.2 ft) west and 20 meters (65.6 ft) north of PFR2009-10. PFR2010-2 has also encountered identical sulphides and geology as encountered in PFR2009-10.

PFR2010-3 is being drilled on the same azimuth and dip as PFR2009-10 (270 degrees azimuth and -65 dip) but is located 5 meters (16.4 ft) west and 25 meters (82.0 ft) north of PFR2009-10. PFR2010-3 has reached a depth of 213.2 meters (700 ft) and is designed to continue until it exits the target zone or reaches target depth.

The Phase-Three drill program will consist of approximately 33 holes ranging in depth from 150 meters (500 ft) to 610 meters (2000 ft) for a total of 10,000 meters (33,000 ft) of drilling.

The program is designed to delineate the target mineralization adjacent to the existing 549,000 oz inferred gold resource (15 million tonnes at an average grade of 1.13 g/t gold at a cutoff grade of 0.50 g/t gold) with the intent of increasing the size of the resource and upgrading some of the resource categories.

A map of the long section is attached. (The target tonnage and grade is conceptual in nature and there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. If the drilling intercepts the target mineralization, and sufficient information is acquired to support a resource estimate, these ounces would be an addition to the existing resource).

About Premium Exploration Inc.

Premium Exploration Inc. ([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 NI 43-101 gold resource, as well as PGM exploration project in Montana. For additional information, please visit the website of Premium.

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.

Contacts:

Premium Exploration Inc.

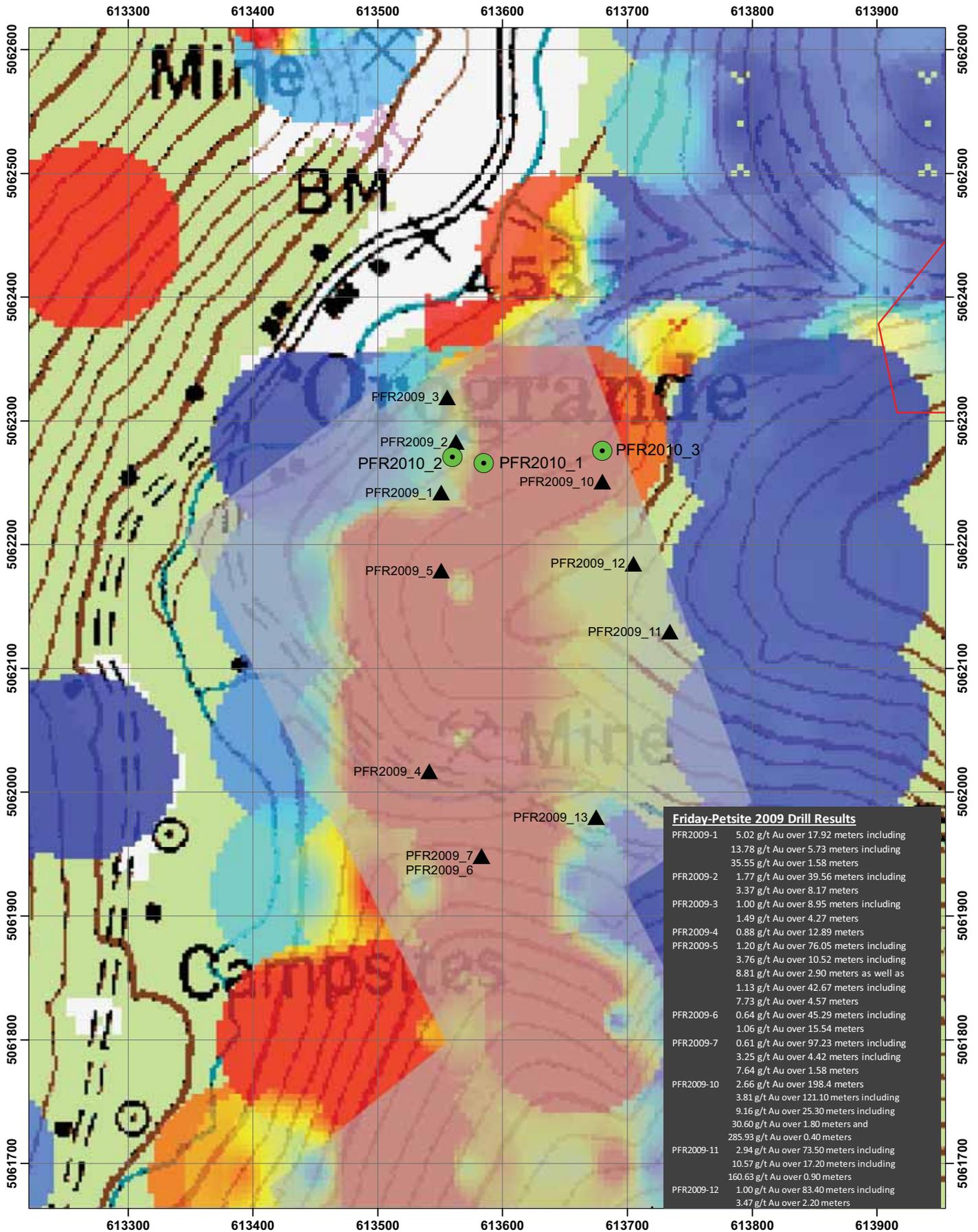
Mr. Wilf Struck, P.Eng.

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Friday-Petsite 2009 Drill Results

PFR2009-1	5.02 g/t Au over 17.92 meters including 13.78 g/t Au over 5.73 meters including 35.55 g/t Au over 1.58 meters
PFR2009-2	1.77 g/t Au over 39.56 meters including 3.37 g/t Au over 8.17 meters
PFR2009-3	1.00 g/t Au over 8.95 meters including 1.49 g/t Au over 4.27 meters
PFR2009-4	0.88 g/t Au over 12.89 meters
PFR2009-5	1.20 g/t Au over 76.05 meters including 3.76 g/t Au over 10.52 meters including 8.81 g/t Au over 2.90 meters as well as 1.13 g/t Au over 42.67 meters including 7.73 g/t Au over 4.57 meters
PFR2009-6	0.64 g/t Au over 45.29 meters including 1.06 g/t Au over 15.54 meters
PFR2009-7	0.61 g/t Au over 97.23 meters including 3.25 g/t Au over 4.42 meters including 7.64 g/t Au over 1.58 meters
PFR2009-10	2.66 g/t Au over 198.4 meters including 3.81 g/t Au over 121.10 meters including 9.16 g/t Au over 25.30 meters including 30.60 g/t Au over 1.80 meters and 285.93 g/t Au over 0.40 meters
PFR2009-11	2.94 g/t Au over 73.50 meters including 10.57 g/t Au over 17.20 meters including 160.63 g/t Au over 0.90 meters
PFR2009-12	1.00 g/t Au over 83.40 meters including 3.47 g/t Au over 2.20 meters

2010 Friday-Petsite Drilling



UTM NAD 83 Zone 11

Legend

- Friday 2010 Drill Program
- ▲ Friday 2009 Phase I DH
- ▲ Friday 2009 Phase II DH

Legend

Friday-Petsite Soil Geochem

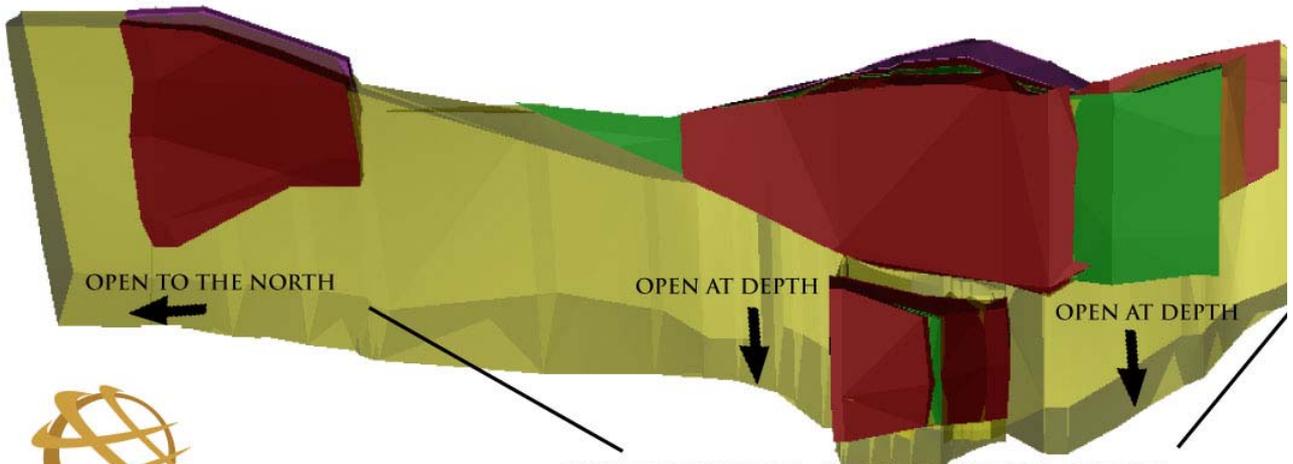
Au ppb

- 0 - 25
- 25 - 50
- 50 - 100
- 100 - 300
- 300 - 2,520





FRIDAY PETSITE LONG SECTION LOOKING EAST



IMMEDIATE TARGET : POTENTIAL MINERAL DEPOSIT
15 -25 MILLION TONS @ 0.7 - 1.2 g/t AU
337,000 - 964,000 OZ *
* SEE CAUTIONARY STATEMENT

*THE TARGET TONNAGE AND GRADE IS
AND IT IS UNCERTAIN IF FURTHER EXT