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PREMIUM EXPLORATION ANNOUNCES COMPLETION OF THE FIELDWORK FOR ITS 2006 MONTANA EXPLORATION PROGRAM

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews – October 26, 2006) – Premium Exploration, Inc. (TSX VENTURE:PEM) ("Premium" or the "Company") (<http://www.premiumexploration.com>) is pleased to announce the completion of the fieldwork portion of the 2006 exploration program on the Company's property located in the Stillwater Complex in the State of Montana, United States of America. The fieldwork has been suspended for 2006 due to winter weather conditions in the Beartooth Mountains.

Pursuant to the Strategic Alliance announced by the Company on October 10, 2006 with Beartooth Platinum Corporation (TSX VENTURE:BTP) (<http://www.beartoothplatinum.com>) ("Beartooth"), over 2,000 soil samples have been collected and sent to SGS Mineral Services of Toronto, Canada for analysis. These soil samples extend the strong Platinum Group Metal (PGM) soil anomaly associated with the "A" and "B" chromitite horizon onto the Premium property. Beartooth has delineated the soil anomaly for approximately 6 kilometers of strike length on their property continuing northwesterly onto the Company's property near Chrome Mountain in the Stillwater Complex. The soil samples were taken on a grid with 100 meter line spacing and 25 meter sample spacing. Approximately 6 kilometers of strike length of the chromite stratigraphic horizon has been sampled to date and additional assay results will be forthcoming from the assay lab in the next month.

A portion of the soil sample grid also crosses the Pine Claim Shear Zone which hosts epithermal gold. The gold mineralization is excluded from the Strategic Alliance with Beartooth and is being explored separately by Premium. As described in the October 10, 2006 news release the Strategic Alliance covers Platinum, Palladium and Rhodium mineralization associated with the other stratigraphic horizons in the Stillwater Complex.

Additional mapping during the 2006 field season has extended the Pine Claim Gold Shear Zone and was completed in order to further delineate the shear zone which is host to the following historic drill results. The Pine Claim Gold Shear Zone is a result of faulting and shearing subsequent to the crystallization of the Stillwater Complex.

Historic drill results from the Pine Claim Shear Zone have returned the following assay results:

- PC-2 intersected 26.2 feet contained 16.9 grams/ton of Gold
- PC-3 intersected 3.5 feet of 10.3 grams/ton of Gold
- PC- 5 intersected 8.6 feet g of 29.7 grams/ton of Gold

- PC-6 intersected 4.5 feet of 11.9 grams/ton of Gold and a second intercept of 2.4 feet of 37.3 grams/ton of Gold
- PC-9 intersected 15.9 feet of 16.6 grams/ton of Gold

Additionally, the Company would like to highlight 34 surface samples collected by Premium and past operators on its Stillwater Complex property. These samples cover an area 250 meters north and south along the strike of the Pine Claim Gold Shear Zone and 25 meters on either side, and were taken from outcrop where PGM mineralization is exposed at surface. Eighteen (18) of the surface samples returned assay values greater than 1 gram of combined gold, platinum and palladium per ton, with the top 5 samples returning combined gold, platinum palladium assay values of 9 grams, 12.1 grams, 12.6 grams 14.3 grams and 46.2 grams per ton respectively.

Sample Number	Sample Type	Au (grams)	Pt (grams)	Pd (grams)	Au + Pt + Pd (grams)
CW090399-4	grab	17.349	5.143	23.794	46.286
97805	grab	0.216	3.768	10.338	14.322
97809	grab	11.698	0.370	0.587	12.655
CW081099-1	1 foot chip	0.034	3.840	8.229	12.103
CW081199-2	1 foot chip	0.034	3.017	6.034	9.085
CW081099-2	1 foot chip	0.034	1.509	5.280	6.823
CW090399-5	1 foot chip	0.034	1.851	4.731	6.616
CW090399-3	6 inch chip	0.034	1.029	4.937	6.000
CW081099-3	6 inch chip	0.034	1.509	3.977	5.520

The Company is currently undertaking a thorough review of all available existing data on its Stillwater Complex Property, and will incorporate the assay data generated from the 2,000 soil samples collected during the 2006 field season into the historical database. Upon receipt of the assays from the soil sample program and after consulting with its Strategic Alliance partner Beartooth Platinum Corporation, the Company will issue a comprehensive news release discussing its 2006 Stillwater Complex exploration program and plans for the 2007 field season. Mr. Wilf Struck, P.Eng., geologic consultant to the Company is the Qualified Person ("QP") responsible for the technical disclosure in this press release, in accordance with National Instrument 43-101.

About Premium Exploration, Inc.:

Premium Exploration, Inc. is a precious metals exploration company focused on prospect generation, evaluation and exploration in North America. The Company is listed on the TSX Venture Exchange and has assembled an innovative and experienced management and advisory team who are committed to the long-term success of the Company. Premium's goal as a prospect generator is to discover precious metal deposits that are strategically located in areas that would allow their profitable extraction, with minimal political, social or environmental risks. Current holdings are in Mexico and the USA. To maximize the possibility of realizing this goal, the company's exploration team continues to find and review early-stage projects located within under-explored precious metal belts that host multi-million ounce deposits. By acquiring prospects internally and financing some of them through joint venture partners, the company is able to maximize the potential for discovery while mitigating risk and increasing

shareholder value. More information can be found on our website at <http://www.premiumexploration.com> or on the SEDAR website at <http://www.sedar.com>.

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The information in this press release is not NI 43-101 compliant and should not be relied upon as such. This press release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Security Exchange Act of 1934, and involve 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 files 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. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. Information contained in this news release includes information about adjacent properties on which we have no right to explore or mine. We advise investors in the United States that the SEC's mining guidelines strictly prohibit information of this type in documents filed with the SEC. United States investors are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on our properties.