



## Premium Exploration Inc Confirms Rhodium as 9% of Platinum Values at Chrome Mountain in Stillwater Complex

VANCOUVER, BRITISH COLUMBIA (July 16, 2008) Premium Exploration, Inc. (TSX-V:PEM) (<http://www.premiumexploration.com/>) is pleased to announce results on the resubmitted Rhodium assays from the 2007 drill program at the Platinum Group Metals (PGM) Chrome Mountain Project, in the Stillwater Complex, Montana, USA. The project location is within 1,500m of the richest PGM deposit in the world, currently mined by the Stillwater Mining Co.

Due to the complexity of assaying for PGM in core with Chromite, Premium's joint venture partner, Beartooth Platinum Corp. ("the operator", currently earning a 50% interest in Chrome Mountain), chose to resubmit the PGM core from the 2007 drill program. The samples were sent to Genalysis Laboratory Services Pty, the specialty lab with expertise in the assaying of PGM's used by the major companies in South Africa.

Dr. Reid Keays, PhD., of Monash University has evaluated the Rhodium (Rh) assay results and compared the results to the Platinum (Pt) assays. A total of 143 samples were analyzed and a comparison of the Rhodium versus Platinum for samples with a Platinum assay greater than 140ppb (>0.140 g/t), confirms that there is indeed a good correlation between Rhodium and Platinum: the regression coefficient is 0.704, which is reasonably robust. **The regression curve suggests that the Rhodium content of the Stillwater peridotite zone samples is approximately 9% of the grade of Pt assay. Drilling in 2007 at the Chrome Mountain project hosts an approximate 11:1 ratio of Platinum to Rhodium with a high of 0.336 g/t Rhodium assayed to date.**

This outcome is different to that obtained from samples analyzed from 2002 and 2006 drill core in Rh vs. Pt (2002-2006). The regression of Rh vs. Pt indicated that the Rh in the Stillwater Peridotite zone from drill intercepts of the "A" and "B" chromites ranged from 21% to 31% of the Pt content of this zone. Drilling in 2002 and 2006 targeted the soil PGM geochemical anomaly associated with the "A" and "B" chromitites which is present for the 11km of strike on both Beartooth's and Premium's properties. **Analysis of the Rhodium data suggests that the "B" Chromitites have not yet been intersected by the drill program.**

Mr. Del Steiner, President & CEO stated, "The relatively high Rhodium content is significant as the value of the Rhodium may be an important contribution to the economic assessment of mineralization encountered in the drilling."

### Highlights from the 2007 drill program include:

- All 10 holes drilled in the 2007 drill program on Chrome Mountain started and terminated in mineralized PGM bearing material
- **CM2007-02: 1.41 g/t Pt+Pd, 0.15% Ni and 0.03% Cu over 50.0 meters from a depth of 24.1m to 74.1m including;**
  - 3.92 g/t Pt+Pd, 0.21% Ni and 0.050% Cu over 1.5m from a depth of 42.4m to 43.9m (1.39 g/t Pt, 2.54 g/t Pd)
  - 4.77 g/t Pt+Pd, 0.23% Ni and 0.077% Cu over 0.3m from a depth of 42.4m to 42.7m (1.80 g/t Pt, 2.97 g/t Pd)
  - 4.89 g/t Pt+Pd, 0.17% Ni and 0.030% Cu over 0.9m from a depth of 45.7m to 46.6m (1.66 g/t Pt, 3.22 g/t Pd)
  - 7.69 g/t Pt+Pd, 0.17% Ni and 0.030% Cu over 0.3m from a depth of 45.7m to 46.0m (2.30 /t Pt, 5.39 g/t Pd)
  - 3.59 g/t Pt+Pd, 0.13% Ni and 0.029% Cu over 0.3m from a depth of 66.8m to 67.1m (1.55 g/t Pt, 2.04 g/t Pd)

- **CM2007-04: 0.93 g/t Pt+Pd, 0.13% Ni, and 0.037% Cu over 116.7 meters from a depth of 1.5m to 118.2m including;**
  - 3.51 g/t Pt+Pd, 0.08% Ni and 0.011% Cu over 1.2m from depth of 43.6m to 44.8m (1.06g/t Pt, 2.45 g/t Pd)
  - 7.46 g/t Pt+Pd, 0.11% Ni and 0.023% Cu over 0.3m from a depth of 44.5m to 44.8m (2.13 g/t Pt, 5.33 g/t Pd)
  - 6.11 g/t Pt+Pd, 0.22% Ni and 0.105% Cu over 0.3m from a depth of 77.7m to 78.0m (1.65 g/t Pt, 4.46 g/t Pd)
  - 4.63 g/t Pt + Pd, 0.23% Ni and .08% Cu over 1.2m from a depth of 88.0m to 89.3m (1.57 g/t Pt, 3.06 g/t Pd)
  - 11.16 g/t Pt+Pd, 0.16% Ni and 0.108% Cu over 0.3m from a depth of 88.1m to 88.4m (4.37 g/t Pt, 6.79 g/t Pd)
  - 4.59 g/t Pt+Pd, 0.12% Ni and 0.029% Cu over 1.2m from a depth of 92.7m to 93.9m (1.43 g/t Pt, 3.16 g/t Pd)
  - 6.15 g/t Pt+Pd, 0.14% Ni and 0.029% Cu over 1.2m from a depth of 176.8m to 178.0m (2.88 g/t Pt, 3.27 g/t Pd)

The 2007 drill program targeted the broad soil PGM geochemical anomaly thought to be associated with the "B" Chromitite layers of the Stillwater Complex. The "A" and "B" Chromitites are thought to be similar to the UG2 mineralization in South Africa which is a PGM rich chromitite horizon called reef-style mineralization. **UG2 mineralization is characterized by thicknesses of 0.7m to 1.6m and ranges in grade from 5 to 7 g/t PGM.** South Africa, provides 80% of the world's platinum group metals, has suffered through power supply issues and labor disputes which are unlikely to be rectified in the near future and this will likely have a negative impact on global PGM supplies.

The area in which the soil PGM geochem anomaly broadens, appears to be associated with a previously unknown style of mineralization. The 2007 drill holes collared on the geochem anomaly were mineralized from the collars to total depth of the drill holes. A conceptual model (see Beartooth Platinum Release dated Feb. 25, 2008) has been developed for this mineralization and appears to have characteristics of both Platreef and UG2 styles of mineralization within the same zone. **It appears that the processes by which these world class deposits formed in the Bushveld Complex were also operating in the Stillwater Complex, and indeed may have overlapped to form a combined style of mineralization at Chrome Mountain.**

The newly discovered mineralization, as a result of the 2007 drilling, has similarities to the Plat Reef in South Africa. This is significant as the Plat Reef mineralization occurs near the surface and ore production from mines on the Plat Reef benefits from lower cost mining methods which have a very positive impact on mine economics. Additional drilling is planned for the 2008 drill season to follow up on the encouraging 2007 drill results.

The "A" and "B" Chromitite reef-style layers parallel the JM Reef of the Stillwater Complex, the richest PGM deposit in the world currently mined by Stillwater Mining Company. Reef style mineralization, such as the JM Reef, can range in widths of 0.14m to 18m and can strike for long distances, up to 40 km for the JM Reef. Historical and current geological information indicate that the Chromitite layers have a similar strike length to the JM reef and are parallel to it.

#### **Qualified Person**

Mr. Wilf Struck, P.Eng. is the Qualified Person for the technical information in the news release under National Instrument 43-101.

### **About Premium Exploration**

Premium Exploration Inc. is focused on precious metals exploration in the United States and Mexico. The Company is founded on a management and geological team with a proven track record demonstrated by their accomplishments. Premium's portfolio currently holds projects in various stages of exploration located within under-explored precious metal belts that host multi-million ounce deposits. Utilizing "value-added" and joint venture strategies, Premium maintains multiple interests and royalties in their projects, maximizing shareholder exposure to mineral discovery. Through a joint venture agreement, Premium is advancing the Chrome Mountain PGM project in Montana, USA and the Buffalo Gulch Gold Deposit in Idaho, USA, while negotiations for joint ventures and acquisitions in Mexico are underway. Additional information may be found on our website at <http://www.premiumexploration.com>.

*All prospective and current shareholders of Premium Exploration are invited to join the company's official investment forum exclusively at Pinnacle Digest: (<http://www.pinnacledigest.com/company/pem.ca>). The forum allows for investor controlled discussion, questions and progressive feedback from other shareholders and investors. Third party reports on the company are also available at [www.pinnacledigest.com](http://www.pinnacledigest.com).*

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