# FORM 51-102F3

## Material Change Report

**ITEM 1. NAME AND ADDRESS OF COMPANY**

Premium Exploration Inc.
1010 - 750 West Pender Street
Vancouver, British Columbia
V6C 2T8

**ITEM 2. DATE OF MATERIAL CHANGE**

January 19, 2007

**ITEM 3. PRESS RELEASE**

A News Release dated and issued on January 19, 2007, at Vancouver, British Columbia, through CCN Mathews News Distributors.

**ITEM 4. SUMMARY OF MATERIAL CHANGE**

See attached news release.

**ITEM 5.1 FULL DESCRIPTION OF MATERIAL CHANGE**

See attached news release.

**ITEM 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTIONS**

Not applicable.

**ITEM 6. RELIANCE ON SUBSECTION 7.1(3) OF NATIONAL INSTRUMENT 51-102**

Not applicable.

**ITEM 7. OMITTED INFORMATION**

Not applicable.

**ITEM 8. EXECUTIVE OFFICER**

Contact: Del Steiner, President
Telephone: (604) 682-0243

**ITEM 9. DATE OF REPORT**

DATED at Vancouver, BC, this 19th day of January, 2007.

**FOR IMMEDIATE RELEASE JANUARY 19, 2007**

**PREMIUM EXPLORATION, INC. ACQUIRES OPTION FOR 100% OF SILVER/GOLD PROJECT IN WESTERN SIERRA MADRE OCCIDENTAL**

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews – January 19, 2007) – Premium Exploration, Inc. (TSX VENTURE:PEM) ("Premium" or the "Company") (http://www.premiumexploration.com) is pleased to announce that it has elected to proceed with an option to acquire 100% of San Pedro Analco Project in Jalisco State, Central Mexico.

The San Pedro Analco property consists of 1,136 hectares covering an extensive low sulfidation silver/gold epithermal system located within the Cinco Minas – San Pedro Analco mining district, 70 kilometers northwest of Guadalajara. The project has excellent infrastructure with road access, ample water available, and a high voltage transmission line less than one kilometer from the property. San Pedro Analco is a past producer, reportedly operating until 1988, although production data is unavailable. Milling and processing equipment remains on the property and could be refitted.

The district is currently the focus of significant exploration activity by several junior mineral exploration companies. Located immediately southwest of San Pedro Analco, Stroud Resources Ltd. report samples from old mine workings which assayed "37.6 grams to 1466.6 grams silver per tonne and 0.17 grams to 3.94 grams gold per tonne" from their Santo Domingo Project. Eleven kilometers south, Bandera Gold Ltd. is exploring the Cinco Minas area, where in the 1920s, 15 million ounces of silver and 97,500 ounces of gold were produced from 1.2 million tons of mine ore, with recoveries of the silver and gold ranging from 88% to 90.5%. The main mineralized zone had a length of 550 meters and was mined to a depth of 700 meters.

The San Martin de Bolanos mining district, 65 kilometers north of San Pedro Analco, produced 40-50 million ounces of silver and Bolanos, 85 kilometers northeast, has 60-100 million ounces of historic production. Premium believes there remains potential to discover significant mineralization at San Pedro Analco which could be quickly brought to a production level. In January, Premium will conduct a Phase I exploration program of mine sampling as well as mapping and sampling of five mineralized structures identified the property.

***Appointment of Mr. Hildebrando Paredes as Senior Project Geologist***

Mr. Paredes has worked as a geological engineer and geologist for the past 28 years in Peru and Venezuela. He has experience in the evaluation and exploration of mineral deposits as well as management and logistics of mineral exploration projects. Ms. Nancy Reardon, VP, Exploration states, "Mr. Paredes is an excellent addition to Premium's geological team in Mexico. He brings a vast amount of knowledge and experience and great enthusiasm and motivation to make a discovery."

### *Resignation of Mr. Dave McMillan from the Board of Directors*

Effective immediately, Mr. Dave McMillan has resigned as a member of the Board of Directors. Mr. McMillan has resigned to devote his efforts to United Resource Group and his oil and gas interests.

### ***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 was listed on the TSX Venture Exchange, March 1st, 2006. Premium has assembled an innovative and experienced management and advisory team who are committed to the long-term success of the Company. Premium's strategy as a prospect generator is to actively evaluate, acquire and advance projects. Our goal 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. The Company has established excellent project pipelines in Mexico and has already acquired several gold-silver projects with good infrastructure under favourable terms and is moving rapidly to advance them. With current high metal prices and the long-term bullish outlook for precious metals, Premium is well-positioned to develop projects and dramatically increase 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.

### *Contact Information:*

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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.