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 24, 2007

ITEM 3. NEWS RELEASE

A News Release dated and issued on January 24, 2007, at Vancouver, British Columbia, through Market News and Stockwatch.

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 24th day of January, 2007.

PREMIUM EXPLORATION INC.
1010 - 750 West Pender Street
Vancouver, BC
V6C 2T8
Phone: 604-682-0243 Fax: 604-682-2499

NEWS RELEASE
January 24, 2007

PREMIUM EXPLORATION ANNOUNCES $800,000 PRIVATE PLACEMENT

VANCOUVER, BRITISH COLUMBIA (January 24, 2007) Premium Exploration, Inc. (TSX-V:PEM) (the “Company”) (www.premiumexploration.com), announces that it has engaged Northern Securities Inc. (“Northern”) to undertake, on a commercially best efforts basis, a non-brokered private placement on behalf of the Company for a minimum of 1,200,000 units (the “Units”) and a maximum of 2,000,000 units at a price of $0.25 per Unit, for aggregate proceeds of between $300,000 and $500,000 (the “Offering”). Each Unit will consist of one common share (a “Share”) and one half of one non-transferable warrant (a “Warrant”). Each whole Warrant will entitle the holder to purchase one additional common share (a “Share”) of the Company for a period of one year at an exercise price of $0.35 per Share.

The Company has agreed to pay to Northern 8% of the aggregate gross proceeds of the Offering, and in addition will issue to Northern broker warrants (the “Broker Warrants”) equal to 10% of the number of Units sold pursuant to the Offering. Each Broker Warrant will be exercisable into one Share of the Company at a price of $0.30 per Share for a period of one year.

The Company also announces that it has negotiated a private placement of up to 1,200,000 Units at a price of $0.25 per Unit for gross proceeds of up to $300,000. Each Unit will consist of one Share and one half of one non-transferable Warrant. Each whole Warrant will entitle the holder to purchase one additional Share of the Company for a period of one year at an exercise price of $0.35 per Share. The Company has agreed to pay finder’s fees and commissions in accordance with the policies of the TSX Venture Exchange (the “Exchange”) in connection with this placement.

The proceeds of the private placement will be used for working capital and our exploration and drilling program on our Nueva Galicia property in Nayarit State, Mexico, in the spring of 2007.

All references to dollar amounts refer to Canadian Dollars.

The proposed financings are subject to the approval of the Exchange.

About Premium Exploration, Inc.:

Premium Exploration, Inc. is a precious metals exploration company focused on 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 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 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.

Contact Information:

Ms. Lisa Maxwell
VP, Corporate Development
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(604) 682-0243
Email: lmaxwelll@premiumexploration.com

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.