

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

1. Name and Address of Company:

Josephine Mining Corp.  
400 S. Jefferson, Suite 202  
Spokane, WA  
99204

2. Date of Material Change:

October 6, 2011

3. News Release:

A press release reporting the material change was issued on October 6, 2011 via Marketwire.

4. Summary of Material Change:

The Corporation announced a drilling update on the Turner Gold Project. The Company continues to fast track its progress with logging and assaying at its Turner Gold Project in O'Brien, Oregon.

*Significant results include:*

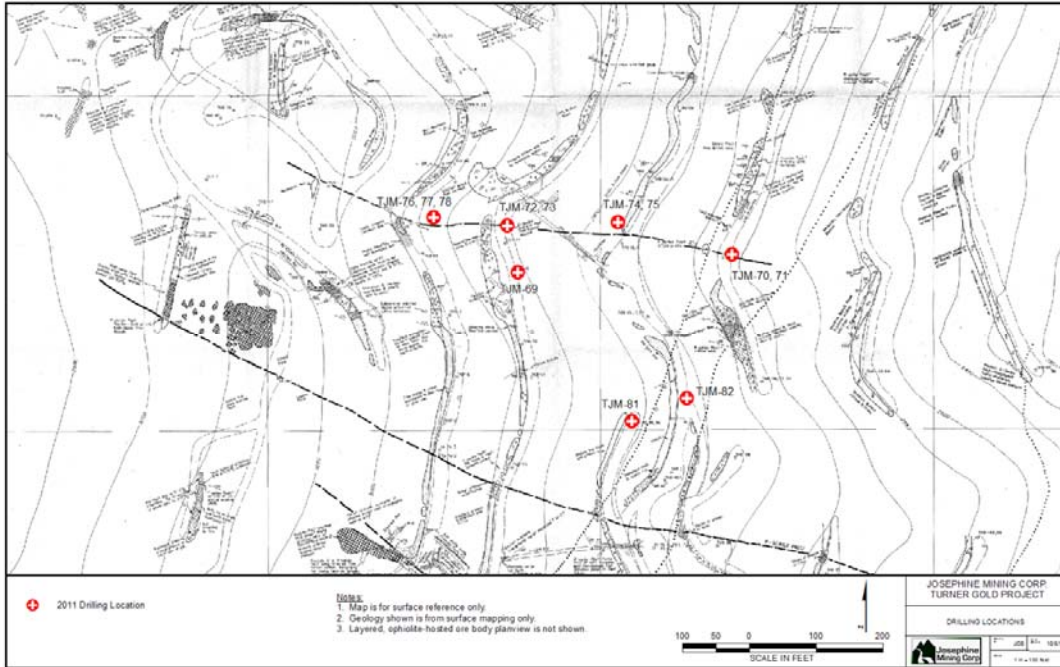
- **TJM-82 encountered the Main Lower Zone, with a 53.9 foot continuous intercept of massive and semi-massive sulfides from 921.1 feet to 975 feet with average grades of 5.50 g/tonne Au, 8.72 g/tonne Ag, 1.3% Cu and 2.5% Zn, netting a gold equivalent grade of 9.06 g/tonne over 53.9 feet.**
- **JMC completed the drilling program with a total of 12,279.4 feet drilled. The successful summer drilling campaign has come to an end on schedule.**

5. Full Description of Material Changes:

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**Figure 1: Map of Turner Gold Project showing drill hole locations and status**

### **TJM-82 assays:**

TJM-82 is an “HQ” diamond drill core hole with a collar elevation of 2,809 feet (856.2 meters) located at Northing: 15255814 meters and Easting: 1435235 meters (UTM NAD 83), with an inclination of 90 degrees from the horizontal (vertical).

The following table gives relevant available assay information for diamond drill hole TJM-82, which was completed to a depth of 1,030 feet (313.9 meters) and intercepted zones of semi-massive and massive sulfides associated with the Main Lower Zone (MLZ). The assay information has been reported over a specific intercept from 921.1 – 975.0 feet (280.8-297.2 meters).

Averaging the intercept from 921.1 – 975 feet (280.8 - 297.2 meters), these data represent average grades of 5.50 g/tonne Au, 8.72 g/tonne Ag, 1.3% Cu and 2.5% Zn, netting a gold equivalent grade of 9.06 g/tonne over 53.9 feet (reported as intercepted footage as true widths are unknown at this time). The data were averaged over that specific interval assuming 100% recovery and converted to an equivalent gold grade for each interval using the following metal prices: \$1,200 per ounce Au, \$30 per ounce Ag, \$3/lb Cu and \$.75/lb Zn.

**Table 2: TJM-82 Assays (Main Lower Zone intercept)****TJM-82**

<b>Start (ft)</b>	<b>End (ft)</b>	<b>Interval (ft)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>	<b>Cu %</b>	<b>Zn (%)</b>
921.1	925.0	3.9	9.51	22.00	2.42%	3.91%
925.0	930.0	5.0	6.99	19.10	2.54%	2.51%
930.0	935.0	5.0	4.42	10.20	1.15%	1.88%
935.0	940.0	5.0	5.86	10.10	1.10%	1.59%
940.0	945.0	5.0	4.90	8.40	2.90%	2.71%
945.0	950.0	5.0	4.43	6.30	0.69%	1.62%
950.0	955.0	5.0	4.55	5.80	0.64%	2.12%
955.0	960.0	5.0	3.92	4.80	0.80%	2.81%
960.0	965.0	5.0	4.99	4.60	0.71%	4.48%
965.0	970.0	5.0	5.17	4.00	0.62%	2.66%
970.0	975.0	5.0	6.59	3.50	1.29%	1.43%
975.0	980.0	5.0	1.78	2.80	0.49%	1.04%
980.0	985.0	5.0	1.00	1.90	0.30%	1.68%

The TJM-82 intercept has visible pyrite, chalcopyrite and sphalerite, and is likely connected to the layer zone denoted in the Company's NI 43-101 report on the property (see [www.sedar.com](http://www.sedar.com)) as the MLZ – Main Lower Zone. The mineral resource is a Cyprus-type, ophiolite-hosted volcanogenic massive sulfide (VMS) gold, copper, and zinc deposit.

**Successful Completion of the Summer Drill Program**

To date, JMC has completed a total of 12,279.4 feet through the drilling of eleven (11) holes, ten (10) of which, have been logged, split, and sampled with five (5) now in the queue for pending assay results. The drill contractor was successful in meeting the required 12,000 feet of drill footage planned for this summer's drill campaign. As of October 3<sup>rd</sup> the drill rig and crew have de-mobilized. JMC looks forward to reporting additional assay results in the near future as complete results become available.

In summary, the summer drilling program at JMC's Turner Gold Project has come to a successful completion as planned, with over 12,000 feet drilled. JMC expects to complete a new resource update by year-end after all assay data have been received. As stated in previous press releases, JMC is collecting additional data from the core to be used for developing geotechnical assessments of planned mining areas, hydrological evaluation of ground water quantity and quality, geochemical characterization of the mineralized resource and host lithologies, and metallurgical evaluation of the prospective ore.

Investors may look forward to further updates on the Turner Gold Project as management remains committed to maximizing shareholder value through a focused development, permitting, and acquisition plan.

Assay Methodology- Metcon Research, in Tucson Arizona has performed all primary sample prep and ICP lab analyses. Gold fire assays with AA finish and ICP checks were completed by American Analytical Lab (AAL) in Sparks, Nevada. Additional details of the assay procedures have been reported in the Sept 29, 2011 press release.

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:

Not applicable.

**7. Omitted Information:**

Not applicable.

**8. Executive Officer:**

For further information, please contact:

Robert L. Russell, President  
Telephone: (509)343-1215

**9. Date of Report:**

October 7, 2011