

**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 12, 2012

**3. News Release:**

A press release reporting the material change was issued on October 12, 2012 via Marketwire.

**4. Summary of Material Change:**

The Corporation announced that it has appointed Matthew J. Colbert, to the executive leadership team of JMC. Effective immediately, Mr. Colbert has taken the position of Chief Financial Officer ("CFO"), replacing Michelle Carbon who was serving as interim CFO.

**5. Full Description of Material Change:**

The Corporation announced that it has appointed Matthew J. Colbert, to the executive leadership team of JMC. Effective immediately, Mr. Colbert has taken the position of Chief Financial Officer ("CFO"), replacing Michelle Carbon who was serving as interim CFO.

Mr. Colbert has over fourteen years of experience in public and corporate accounting with the last seven heavily focused in the mining sector. Mr. Colbert currently serves as the Chief Financial Officer and Director of Gold Crest Mines, Inc., and was previously the Chief Financial Officer and Director of Lifestream Technologies, Inc., both United States publicly traded companies. Earlier in his career, Mr. Colbert worked in the audit department of PricewaterhouseCoopers, LLP, an international accounting and consulting firm. He has a Bachelor of Science degree in Accounting from the University of Idaho and is licensed as a Certified Public Accountant in the State of Washington.

The appointment of Mr. Colbert to the position of Chief Financial Officer is subject to the review and approval of the TSX Venture Exchange.

**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 15, 2012