

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

1. Name and Address of Company:

Josephine Mining Corp.
601 West Main Avenue, Suite 600
Spokane, WA
99201

2. Date of Material Change:

October 18, 2012

3. News Release:

A press release reporting the material change was issued on October 18, 2012 via Marketwire.

4. Summary of Material Change:

Josephine Mining Corp. ("JMC") has extended its option to acquire the Turner Gold project to December 1, 2012 from General Moly, Inc. with the payment of an additional amount of US\$100,000. JMC received US\$50,000 by way of a note that is, subject to regulatory approval, convertible into shares of the Company from its major shareholder, Russell Mining & Minerals ULC and \$50,000 by way of a loan from JMC President and CEO Robert Russell. JMC was granted an extension of 2 months and 2-days to make the final payment of US\$1.35 Million to General Moly, Inc. so as to complete the purchase of the Turner Gold asset by December 1, 2012.

5. Full Description of Material Change:

JMC has extended its option to acquire the Turner Gold project to December 1, 2012 from General Moly, Inc. with the payment of an additional amount of US\$100,000. JMC received US\$50,000 by way of a note that is, subject to regulatory approval, convertible into shares of the Company from its major shareholder, Russell Mining & Minerals ULC and \$50,000 by way of a loan from JMC President and CEO Robert Russell. JMC was granted an extension of 2 months and 2-days to make the final payment of US\$1.35 Million to General Moly, Inc. so as to complete the purchase of the Turner Gold asset by December 1, 2012.

The Corporation is reviewing all the work to-date on the Turner Gold project, including the successful 12-hole diamond drill program from 2011 and plotting a course for the Turner Gold project. JMC continues to make progress on permitting activities and is focused on bringing the Turner Gold project forward.

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 22, 2012