

**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:**

December 4, 2013

**3. News Release:**

A press release reporting the material change was issued on December 4, 2013 via Stockwatch.

**4. Summary of Material Change:**

The Corporation announced that it has successfully completed the final \$600,000 payment to General Moly Inc. ("GMI") which completes the purchase of the Turner Gold Project in Oregon. The completion of the final option payment now gives the participants full ownership of the Turner Property. .

Concurrently, Russell Mining Corp. ("RMC"), a private company with certain directors and officers in common with the Company, in accordance with an agreement with JMC dated May 30, 2013, exercised their right to fund the final option payment of \$600,000 to GMI on behalf of JMC. In return for this payment, RMC will receive an undivided 30% interest in the Turner Gold Property.

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

The Corporation announced that it has successfully completed the final \$600,000 payment to General Moly Inc. ("GMI") which completes the purchase of the Turner Gold Project in Oregon. The completion of the final option payment now gives the participants full ownership of the Turner Property.

Concurrently, Russell Mining Corp. ("RMC"), a private company with certain directors and officers in common with the Company, in accordance with an agreement with JMC dated May 30, 2013, exercised their right to fund the final option payment of \$600,000 to GMI on behalf of JMC. In return for this payment, RMC will receive an undivided 30% interest in the Turner Gold Property. RMC had previously made a \$400,000 payment to GMI on behalf of JMC in return for an undivided 21% interest in the Turner Gold Property. RMC now has a 51% interest in the Project.<sup>2</sup>

Additionally, with the expected conversion of an outstanding loan of \$552,202 plus interest due Big Rock Holdings, LLC ("BRH") to a direct 28% interest in the Turner Gold Project, all major debt obligations concerning the Turner Gold Property will, as a result, be accommodated. Following the relinquishing of these debts, the final ownership of the Turner Gold Property will be RMC 51%, BRH 28% and JMC 21%. The BRH debt conversion has not yet been finalized and is subject to regulatory approval.

**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:**

December 5, 2013