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**Issues Condensed Interim Consolidated Financial Statements for the three month periods ended  
March 31, 2011 and 2010**

June 29, 2011 - Josephine Mining Corp. (TSX-V: JMC) ("JMC" or the "Company") recently released its interim financial statement for the 3 month period ending March 31, 2011 (the "Interim Statements"). This summary of selected information of the financial condition and results of operations of the Company should be read in conjunction with the Interim Statements. In addition it is important to note that in relation to the Interim Statements, the Company announced that it had completed a Qualifying Transaction and related transactions as outlined in its filing statement dated October 8, 2010, including a concurrent private placement that raised gross proceeds of \$7,000,000. The Interim Statements have been prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

For the three months ended March 31, 2011 the Company generated a net loss of \$637,150, or \$0.23 per share, compared to a net loss of \$211,768, or \$0.19 per share, in the three months ended March 31, 2010. The primary reason for the increase in net loss was the \$458,329 public company listing expense incurred in conjunction with the Qualifying Transaction and included in the calculation of net loss for the three months ended March 31, 2011. The Company had cash and cash equivalents of \$6,222,342 compared to \$16,022 on December 31, 2010. Working capital as at March 31, 2011 was \$5,712,068 as compared to a working capital deficit of \$533,038 as at December 31, 2010. The improvement in working capital was primarily a result of the financing and Qualifying Transaction completed in March of 2011.

**JOSEPHINE MINING CORP.**

**(An exploration stage company)**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**(Stated in Canadian dollars)**

	<b>March 31, 2011</b>	<b>December 31, 2010</b>	<b>January 1, 2010</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$6,222,342	\$16,022	\$38,911
Other Current Assets	27,306	11,446	11,783
Total Current Assets	6,249,648	27,468	50,694

**NON-CURRENT ASSETS**

Property purchase option	1,137,541	1,129,760	739,319
Deposits	17,018	17,502	18,384
Mineral properties	2,243,293	0	0
Total Non-Current Assets	3,397,852	1,147,262	757,703

<b>TOTAL ASSETS</b>	<b>\$9,647,500</b>	<b>\$1,174,729</b>	<b>\$808,397</b>
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**LIABILITIES AND  
STOCKHOLDERS' EQUITY****CURRENT LIABILITIES**

Accounts payable/Accrued Liabilities	\$537,580	\$533,038	\$120,999
Total Current Liabilities	537,580	533,038	120,999

**STOCKHOLDERS' EQUITY**

Share capital	8,048,468	1,760,755	1,207,151
Share issuance costs	-800,031	0	0
Contributed surplus	183,198	0	0
Warrants	3,504,149	46,825	46,825
Accumulated deficit	-1,825,865	-1,165,889	-566,578
Total Stockholders' Equity	9,109,919	641,691	687,398

<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$9,647,500</b>	<b>\$1,174,729</b>	<b>\$808,397</b>
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**JOSEPHINE MINING CORP.****(An exploration stage company)****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS****(Stated in Canadian dollars)**

	<b>Three month period ended March 31, 2011</b>	<b>Three month period ended March 31, 2010</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>REVENUES</b>	0	0
<b>OPERATING EXPENSES</b>		
General and administrative	\$175,368	\$57,057
Exploration	31,428	154,711
Public company listing (Note 3)	458,329	0
<b>TOTAL EXPENSES</b>	637,125	211,768
<b>OTHER INCOME AND EXPENSES</b>	-24	0
<b>NET LOSS</b>	-637,150	-211,768
<b>OTHER COMPREHENSIVE INCOME</b>	-22,826	-17,468
<b>TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE</b>		
<b>TO STOCKHOLDERS</b>	-659,976	-229,237
<b>NET LOSS PER COMMON SHARE,</b>		
<b>BASIC AND DILUTED</b>	-0.23	-0.19
<b>WEIGHTED AVERAGE COMMON STOCK SHARES</b>		
<b>OUTSTANDING, BASIC AND DILUTED</b>	2,761,390	1,100,000

**JOSEPHINE MINING CORP.****(An exploration stage company)****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS****(Stated in Canadian dollars)**

	Three month period ended March 31, 2011  (unaudited)	Three month period ended March 31, 2010  (unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	(\$637,150)	(\$211,768)
Stock compensation expense	8,972	-
Public company listing expense	458,329	-
Foreign currency translation	(22,826)	(17,468)
Change in investment in mineral properties	(2,243,293)	-
<i>Changes in assets and liabilities:</i>		
Decrease in prepaid expenses	3,047	6,171
Increase in accounts receivable	(18,907)	-
Decrease in accounts payable	(2,423)	(25,995)
Increase (decrease) in accrued liabilities - related parties	(1,130)	27,715
Increase in accrued liabilities - other	8,095	-
Net cash provided by operating activities	(\$2,447,286)	(\$221,345)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Change in property purchase option	(7,781)	(1,146)
Change in deposits	484	530
Net cash used by investing activities	(\$7,297)	(\$616)

<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Equity financing	-	195,224
Qualifying transaction and unit financing	8,660,903	-
Net cash provided by financing activities	\$8,660,903	\$195,224
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	\$6,206,320	(26,737)
<b>Cash, beginning of period</b>	16,022	38,866
<b>Cash, end of period</b>	\$6,222,342	\$12,129

### **Outstanding Share Data**

As of March 31, 2011 Josephine had 25,425,010 common shares issued and outstanding. In addition 20,641,000 warrants and incentive stock options were outstanding, each exercisable into common shares at an average price of \$0.72 per share.

The Company's main focus is to bring its Turner Gold Property into production and grow through acquisition. Currently ongoing work at Turner is focused on environmental, geotech and mine design studies with a view to completing a preliminary feasibility study in 2012. Additionally a 12,000 foot drilling program is also currently underway to provide further confidence as to structure and to increase reportable resources, and is expected to be completed in 2011 (refer to press release dated May 10, 2011).

JMC is pleased with its accomplishments and progress to date, having completed a Qualifying Transaction as well as a capital raise. Robert L. Russell, President and CEO of Josephine Mining Corp said, "Our team is executing a fast track program for the development and production of Turner Gold. We remain committed to maximizing shareholder value and look forward to providing continuing updates on our progress at Turner Gold, as well as our acquisition program."

The Corporation recently granted 400,000 options pursuant to the Corporation's incentive stock option plan to a director, exercisable at \$0.60 for a period of 5 years.

For further information about the Company, please refer to the Company's filings on SEDAR ([www.sedar.com](http://www.sedar.com)), particularly the Interim Statements and the NI 43-101 report concerning the Turner Gold Project in Josephine County, Oregon, USA.

### **ENQUIRIES**

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### **Disclaimer for Forward-Looking Information**

This press release contains projections and forward-looking information that involve various risks and uncertainties regarding future events, such as the statements that: (i) Diamond drilling and geologic data are planned for Q2 and Q3, 2011. (ii) A preliminary feasibility study will be completed in 2012. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them.

These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements such as the current economic conditions and the state of mineral exploration and mineral prices in general. These risks and uncertainties could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. The Company can offer no guarantee that its goals and objectives detailed above will be accomplished, in part or at all.

These forward-looking statements are made as of the date of this news release and, except as required by law, the Company assumes no obligation to update these forward-looking statements, or to update the reasons why actual results differed from those projected in the forward-looking statements. Additional information about these and other assumptions, risks and uncertainties are set out in the "Risks Factors" section in the Filing Statement of the Company dated October 10, 2010 and available on [www.sedar.com](http://www.sedar.com).

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