

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:

August 30, 2011

3. News Release:

A press release reporting the material change was issued on August 30, 2011 via Marketwire.

4. Summary of Material Change:

The Corporation announced a drilling update on the Turner Gold Project. The Company began its drilling campaign on May 28, 2011, see press release dated May 10, 2011. To date, JMC has completed a total of 9,565 feet through the drilling of eight (8) out of twelve (12) originally planned diamond drill core holes over the course of the summer. All of these eight drill holes have intercepted regions of mineralization.

The Company also announced it has filed the following disclosure documents with securities regulators:

1. Condensed Interim Consolidated Financial Statements (unaudited) for the six months ended June 30, 2011 with accompanying notes;
2. Management's Discussion and Analysis for the six months ended June 30, 2011; and
3. Officers' Certifications of Interim Filings.

5. Full Description of Material Changes:

The Corporation announced a drilling update on the Turner Gold Project. The Company began its drilling campaign on May 28, 2011, see press release dated May 10, 2011. To date, JMC has completed a total of 9,565 feet through the drilling of eight (8) out of twelve (12) originally planned diamond drill core holes over the course of the summer. All of these eight drill holes have intercepted regions of mineralization. As discussed in the NI 43-101 report titled "Turner Gold Resource and Preliminary Economic Assessment," the proposed drilling program "...will add confidence, and potentially add tonnage to the Turner Gold Deposit. These holes will provide information for a broad range of topics at Turner in addition to geology and assay information." The information

from the drill holes is being used to support the ongoing work for the permitting process. JMC's environmental contractor JBR Environmental Consultants, Inc., continues to make positive progress on permitting issues. JMC's geology team in Oregon has logged, split, sampled and sent off significant portions of this new core for assay and continually processes newly drilled core. JMC expects assay results in the near term, and will report results in future news releases on a rolling basis as those full assay data sets are received. For further information about the Company and its current drill program, please refer to the Company's filings on SEDAR (www.sedar.com).

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For the three months ended June 30, 2011 the Company generated a total comprehensive loss attributable to stockholders of \$771,092 or \$0.03 per share. For the six months ended June 30, 2011 the total comprehensive loss attributable to stockholders is \$1,431,067 or \$0.08 per share. These losses are made up of corporate related charges. The Company capitalizes all exploration, development and overhead costs associated with the development of the Turner Gold Project.

The Company's investment in Turner Gold increased by \$1 million in the three months ended June 30, 2011 and \$3.3 million for the six months ended in the same period. Major expenditures include Turner Gold property related acquisition, drilling, core logging and corporate overhead costs. At June 30, 2011 the Company had cash and cash equivalents of \$4.5 million on hand.

ABOUT THE TURNER GOLD PROJECT- as reported in the 43-101 dated November 16, 2009 and revised May 17, 2010

The Turner Gold Project is located approximately 40 miles southwest of Grants Pass, Oregon, USA. The deposit is a massive sulfide deposit that can be potentially exploited by underground mining methods to produce economic concentrations of gold, copper, zinc, silver, and potentially cobalt. Most of the mineralization is amenable to flotation to produce copper, zinc, and gold concentrates. The Turner Gold Project deposit is contained within three patented mining claims which total about 60 acres.

The deposit can be classified as a volcanogenic massive sulfide deposit of the "Cyprus" model. The Turner deposit is ophiolite hosted and is associated with sea floor volcanism and extensional tectonics. There are three zones of mineralization: UHZ, MUZ, and MLZ that appear as semi-tabular bodies that strike 130 degrees (southeast) and dip 35 degrees to the northeast. The mine plan does not currently plan for production from the UHZ so

within this text the terms MUZ and MLZ are often referred to as Upper and Lower zones respectively. The strike length of the mineralization as it is currently understood is about 1000 to 1500 feet with a down dip extent of about 800 to 1000 feet.

In keeping with management's historic and continued commitment to maximize shareholder return on investment, Josephine is aggressively continuing its fast track to production at Turner Gold as well as continuing to evaluate potential acquisition properties.

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:

August 31, 2011