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:

September 9, 2011

3. News Release:

A press release reporting the material change was issued on September 9, 2011 via Marketwire.

4. Summary of Material Change:

The Corporation announced a drilling update on the Turner Gold Project. The company continues to fast track its progress with further drilling, logging and assaying at its Turner Gold Project in O'Brien, Oregon.

Significant results include:

- **JMC has completed a total of 9,816.3 feet through the drilling of seven (7) out of twelve (12) planned diamond drill core holes (totalling 7,622.3 feet), with an additional 2,194 feet in two (2) step-out holes.**

- **Two additional step-out drill holes (TJM-81 & TJM-82, totalling 2,194 feet) have logged 61 feet and 80 feet cumulative intercepts of massive and semi-massive sulfides, further delineating the south-eastern extent of the Main Lower Zone. Assays results are pending.**

- **TJM-69 encountered the Main Upper Zone as expected, with a 158.8 foot continuous intercept of sulfides from 256.2 to 415 feet with average grades of 1.8 g/tonne Au, 22.7 g/tonne Ag, 0.16% Cu and 2.92% Zn, netting a Gold equivalent grade of 3.9 g/tonne over that 158.8 feet.**

- **TJM-69 re-entered another continuous Main Upper Zone intercept with 40 feet of expected sulfides from 625 to 665 feet with average grades of 3.7 g/tonne Au, 3.6 g/tonne Ag, 0.74% Cu and 0.18% Zn, netting a Gold equivalent grade of 5.2 g/tonne over 40 feet.**

5. Full Description of Material Changes:

The Corporation announced a drilling update on the Turner Gold Project. The company continues to fast track its progress with further drilling, logging and assaying at its Turner Gold Project in O'Brien, Oregon.

Significant results include:

- **JMC has completed a total of 9,816.3 feet through the drilling of seven (7) out of twelve (12) planned diamond drill core holes (totalling 7,622.3 feet), with an additional 2,194 feet in two (2) step-out holes.**

- **Two additional step-out drill holes (TJM-81 & TJM-82, totalling 2,194 feet) have logged 61 feet and 80 feet cumulative intercepts of massive and semi-massive sulfides, further delineating the south-eastern extent of the Main Lower Zone. Assays results are pending.**

- **TJM-69 encountered the Main Upper Zone as expected, with a 158.8 foot continuous intercept of sulfides from 256.2 to 415 feet with average grades of 1.8 g/tonne Au, 22.7 g/tonne Ag, 0.16% Cu and 2.92% Zn, netting a Gold equivalent grade of 3.9 g/tonne over that 158.8 feet.**

- **TJM-69 re-entered another continuous Main Upper Zone intercept with 40 feet of expected sulfides from 625 to 665 feet with average grades of 3.7 g/tonne Au, 3.6 g/tonne Ag, 0.74% Cu and 0.18% Zn, netting a Gold equivalent grade of 5.2 g/tonne over 40 feet.**

As discussed in the NI 43-101 report titled "Turner Gold Resource and Preliminary Economic Assessment," the proposed drilling program "...will provide information for a broad range of topics at Turner in addition to geology and assay information.... The intended goal of the drill program is to improve the classification of a portion of the mineral resource, as well as increase the total resource tonnage..." In fulfilment of this commitment, JMC is collecting additional data from the core to be used for developing geotechnical assessments of planned mining areas, hydrological evaluation of ground water quantity and quality, geochemical characterization of the mineralized resource and host rock lithologies, and metallurgical evaluation of the prospective ore. This work is in progress with the assistance of expert environmental and engineering consultants.

Step out drilling intercepts: JMC is pleased to announce two south-eastern step-out drill holes TJM-81 and TJM-82 (see Map, Figure 1), approximately 240 feet South South East and South East of TJM-69 that have intercepted layers of massive sulfides at the Turner Gold Project. TJM-81 has intercepted a significant layer of massive sulfide starting at a depth of 923.5 feet with the intercept extending through 1,012.3 feet of depth. Within this 88.8 feet intercept JMC has logged 61 feet of massive and semi-massive sulfide. Step-out drill diamond drill core hole TJM-82 has intercepted a significant layer of massive sulfides starting at a depth of 829.9 feet with the intercept extending through 970 feet of depth, within this 140.1 feet intercept JMC has logged 80 feet of massive and semi-massive sulfides.

Both intercepts have visible pyrite, chalcopyrite and sphalerite, and are likely connected to the layer zone denoted in the Company's NI 43-101 report on the property (see www.sedar.com) as the MLZ – Main Lower Zone.

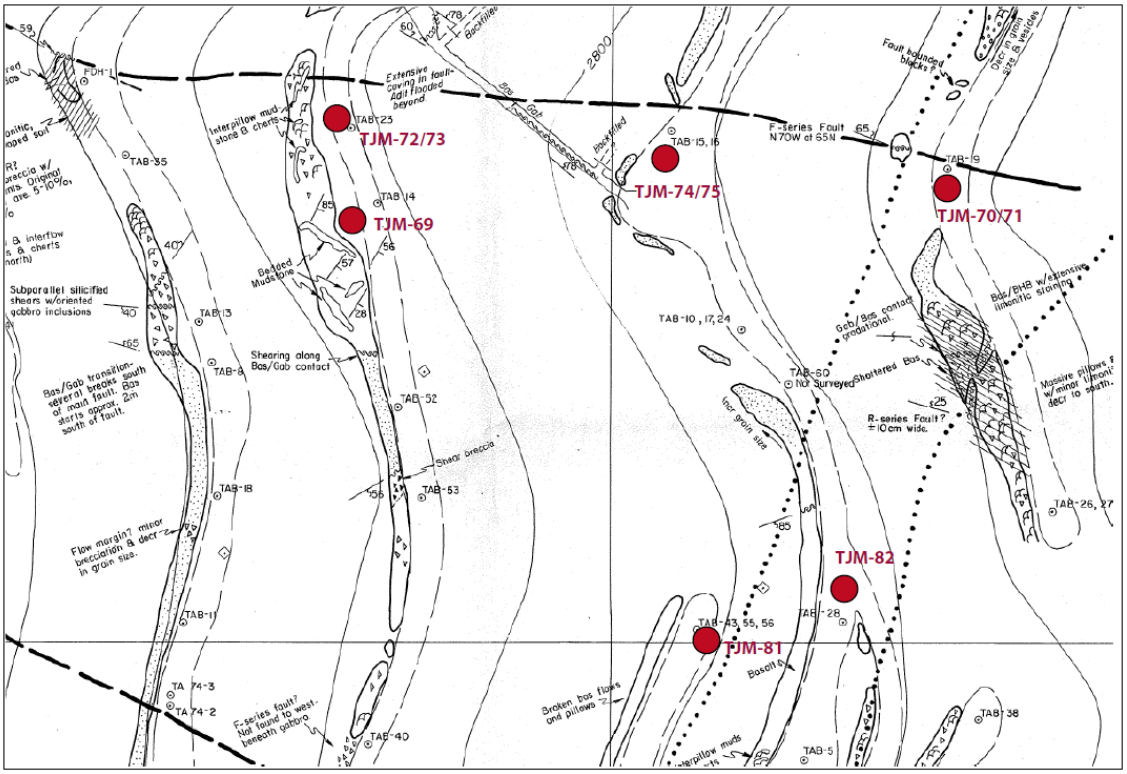

Figure 1 Map of Turner Gold Project showing drill hole locations and status (not to scale)

TJM-69 update and first assays: As stated in the press release dated June 3, 2011, "Diamond drill hole (TJM-69) has intercepted two significant layers of massive sulfides starting at a depth of 256 feet. The intercept...is likely connected to the zone denoted in the Company's NI 43-101 report (see www.sedar.com) as the MUZ – Main Upper Zone.... The mineral resource is a Cyprus-type, ophiolite-hosted volcanogenic massive sulfide (VMS) gold, copper, and zinc deposit."

To date, JMC has completed a total of 9,816.3 feet through the drilling of seven (7) out of twelve (12) planned diamond drill core holes (totalling 7,622.3 feet), with an additional 2,194 feet in two (2) step-out holes. Eight (8) holes have been logged, split, sampled and seven (7) are still in queue for pending assay results.

The following Table gives relevant available assay information for diamond drill hole TJM-69, which was completed to a depth of 1,370 feet (417.6 meters) and intercepted zones of semi-massive and massive sulfides associated with both the Main Upper Zone (MUZ) and Main Lower Zone (MLZ). The assay information has been reported over two specific intercepts from 256.2 – 415 feet and from 625-665 feet (both related to the MUZ). The data have been averaged over those two specific intervals and converted to an equivalent gold grade for each interval using the following assumptions: $1,200 oz/ton Au, $30 oz/ton Ag, $3/lb Cu and $.75/lb Zinc as stated in our current 43-101 compliant presentation.

Drill hole TJM-69 encountered the Main Upper Zone with a 158.8 feet continuous intercept of expected sulfides from 256.2 to 415 feet with average grades of 1.8 g/tonne Au, 22.7 g/tonne Ag, 0.16% Cu and 2.92% Zn, netting a Gold Equivalent grade of 3.9 g/tonne over that 158.8 feet.

Drill hole TJM-69 re-entered another continuous intercept Main Upper Zone with a 40 feet intercept of expected sulfides from 625 to 665 ft with average grades of 3.7 g/tonne Au, 3.6

g/tonne Ag, 0.74% Cu and 0.18% Zn, netting a Gold Equivalent grade of 5.2 g/tonne over 40 ft.

Table 1 TJM-69 Assays: Main Upper Zone intercept

Start (ft)	End (ft)	Interval (ft)	Au (g/tonne)	Ag (g/tonne)	Cu %	Zn %
256.2	260	3.8	3.5	25.0	0.19%	0.23%
260	265	5	1.5	28.0	0.27%	1.27%
265	270	5	2.1	33.0	0.34%	8.12%
270	275	5	1.8	18.9	0.28%	0.39%
275	280	5	1.8	33.0	0.33%	5.93%
280	285	5	3.2	23.0	0.27%	0.17%
285	290	5	1.3	54.0	0.21%	1.04%
290	295	5	0.7	34.0	0.27%	2.02%
295	300	5	1.1	34.0	0.07%	5.61%
300	305	5	0.8	39.0	0.14%	2.59%
305	310	5	0.9	32.0	0.15%	2.46%
310	315	5	1.5	26.0	0.18%	0.31%
315	320	5	1.1	20.1	0.12%	1.57%
320	325	5	1.1	43.0	0.09%	8.57%
325	330	5	1.4	26.0	0.19%	4.73%
330	335	5	1.7	17.5	0.09%	3.04%
335	340	5	1.5	15.2	0.08%	2.49%
340	345	5	1.7	29.0	0.19%	5.46%
345	350	5	1.8	31.0	0.14%	2.93%
350	355	5	0.7	24.0	0.13%	5.13%
355	360	5	2.0	24.0	0.10%	5.13%
360	365	5	4.6	20.2	0.15%	3.77%
365	370	5	1.6	11.9	0.09%	4.31%
370	375	5	1.2	8.5	0.05%	3.07%
375	380	5	1.4	8.1	0.20%	1.29%
380	385	5	2.3	6.6	0.10%	2.14%
385	390	5	2.9	7.7	0.15%	0.80%
390	395	5	2.7	5.9	0.09%	0.66%
395	400	5	2.8	7.0	0.06%	1.49%
400	405	5	1.8	16.0	0.12%	3.85%
405	410	5	2.0	15.6	0.09%	1.40%
410	415	5	2.9	10.2	0.06%	0.93%
625	630	5	3.6	3.9	0.78%	0.45%
630	635	5	2.3	4.6	1.09%	0.17%
635	640	5	9.4	3.4	0.45%	0.11%
640	645	5	3.3	4.1	0.62%	0.29%
645	650	5	3.0	3.1	0.69%	0.10%
645	650	5	0.0	0.0	0.00%	0.00%
650	655	5	4.5	5.0	1.18%	0.19%
655	660	5	5.1	4.2	1.16%	0.21%
660	665	5	2.4	3.8	0.70%	0.08%

Note: 1 Troy Oz/Short Ton = 34.2857 ppm

We have provided historical data of two nearby drill holes (TAB-13 and TAB-23) to TJM-69 that were used in the 43-101 resource estimate. They are provided in the press release to give context to this newly announced TJM-69 data in the JMC drilling program. JMC looks forward to reporting several additional drill hole assays in the near future as soon as complete assay results become available.

Table 2 Turner Gold Project historical drill hole TAB-13 assay data

Start (ft)	End (ft)	Interval (ft)	Au (g/tonne)	Ag (g/tonne)	Cu %	Zn %
290	295	5	0.6	28.5	0.12%	4.70%
295	300	5	2.0	14.7	0.95%	2.20%
300	305	5	2.7	8.2	0.81%	6.60%
305	310	5	1.4	31.9	0.33%	3.10%
310	315	5	2.4	32.6	0.49%	2.30%
315	320	5	3.1	0.7	1.18%	6.50%
320	325	5	4.0	39.1	1.46%	1.10%
325	330	5	3.2	0.7	2.80%	2.30%
350	355	5	0.2	0.7	0.07%	10.40%
405	410	5	4.1	0.7	0.58%	0.32%
410	415	5	3.6	0.7	0.77%	0.34%
415	420	5	3.2	0.7	0.95%	0.44%
420	425	5	4.3	0.7	1.55%	0.47%
425	430	5	3.4	0.7	0.47%	0.34%
430	435	5	7.8	0.7	0.42%	1.05%
435	440	5	4.0	0.7	0.36%	0.25%
440	445	5	6.0	3.8	1.05%	0.19%
465	470	5	2.5	4.5	0.68%	1.10%
470	475	5	4.2	4.1	0.75%	0.41%
475	480	5	4.3	4.1	1.10%	0.14%
480	485	5	1.9	5.1	0.95%	0.20%
550	555	5	3.6	0.7	0.45%	0.02%
565	570	5	3.6	0.7	1.25%	0.22%
570	575	5	4.6	0.7	0.62%	0.13%
630	635	5	2.7	0.7	0.37%	2.85%
665	670	5	2.1	0.7	0.67%	0.49%
695	700	5	1.1	3.8	1.75%	0.60%
760	765	5	3.3	0.7	0.59%	0.22%
765	770	5	2.7	0.7	0.87%	0.26%
878.5	880	1.5	3.6	56.9	0.28%	5.40%
880	885	5	2.4	16.8	0.52%	3.80%
890	895	5	4.6	67.5	1.45%	5.70%
895	900	5	2.1	35.7	0.48%	1.35%
900	905	5	3.7	64.8	0.48%	2.45%
905	910	5	2.9	18.9	0.82%	0.36%
910	915	5	2.2	26.1	1.10%	4.70%
915	920	5	2.3	13.4	1.50%	0.88%
934.4	937.7	3.3	7.1	18.9	3.50%	0.18%
975	980	5	3.5	6.2	1.35%	0.33%
985	990	5	2.5	1.0	0.37%	0.55%
995	1000	5	2.1	2.7	0.60%	3.25%
1000	1005	5	2.1	6.9	0.53%	3.35%
1010	1015	5	1.8	6.5	0.76%	2.05%
1015	1020	5	1.9	7.9	0.64%	2.30%
1020	1025	5	4.6	5.8	1.60%	1.60%
1030	1035	5	1.4	1.4	1.20%	1.60%
1035	1040	5	2.9	5.1	1.35%	1.80%
1040	1045	5	4.0	0.7	2.75%	2.05%
1045	1050	5	3.6	0.7	1.70%	1.15%
1050	1055	5	7.0	0.7	3.20%	2.50%
1055	1060	5	1.7	0.3	0.69%	1.40%
1105	1110	5	6.7	0.7	2.85%	0.71%
1110	1115	5	1.6	2.4	0.73%	4.20%
1180	1185	5	3.8	2.4	0.40%	0.07%

1200	1205	5	3.4	0.7	0.32%	0.24%
1215	1220	5	3.1	61.4	1.30%	12.0%
1235	1240	5	3.1	0.7	0.58%	0.04%
1255	1260	5	9.6	4.8	2.60%	1.55%

Table 3 Turner Gold Project, historical drill hole TAB-23 assay data

Start (ft)	End (ft)	Interval (ft)	Au (g/tonne)	Ag (g/tonne)	Cu %	Zn %
175	180	5	2.3	0.7	0.99%	8.20%
310	315	5	1.9	7.2	0.12%	3.90%
330	335	5	1.9	0.7	0.23%	3.70%
340	345	5	5.5	0.7	0.11%	1.55%
345	350	5	3.6	0.7	0.36%	2.20%
425	430	5	9.3	0.7	1.60%	1.30%
430	435	5	2.5	0.7	1.03%	0.85%
435	440	5	3.2	0.7	1.90%	0.56%
440	445	5	2.8	0.7	1.95%	0.29%
470	475	5	2.6	0.7	0.54%	0.16%
480	485	5	2.4	0.7	0.61%	0.06%
495	500	5	3.8	0.7	0.46%	0.11%
530	535	5	4.4	0.7	0.56%	0.06%
540	545	5	4.4	0.7	0.63%	0.09%
550	555	5	2.9	0.7	0.52%	0.14%
560	565	5	2.4	0.7	0.66%	0.23%
575	580	5	3.4	0.7	1.01%	0.26%
580	585	5	2.2	0.7	0.76%	0.25%
590	595	5	1.7	0.7	0.87%	0.50%
595	600	5	1.4	0.7	1.15%	1.80%
605	610	5	3.3	0.7	0.72%	0.21%
610	615	5	3.0	0.7	0.82%	0.45%
630	635	5	3.1	0.7	1.20%	0.30%
680	685	5	3.8	0.7	0.07%	0.02%
720	725	5	3.2	0.7	0.46%	0.13%
725	730	5	3.6	0.7	0.47%	0.15%
730	735	5	4.1	0.7	0.10%	0.06%
740	745	5	5.1	0.7	0.08%	0.06%
1200	1205	5	2.3	0.7	1.03%	0.43%
1315	1320	5	4.7	0.7	0.17%	0.10%

In summary, drilling at JMC's Turner Gold Project is continuing and there has been substantial progress to date on the diamond core drill program and assaying. Assays results will continue to be released on a rolling basis throughout the rest of this year. We expect to complete a new resource update in the fourth quarter 2011 after the drilling is complete and assay data has been received. Again, JMC is collecting additional data from the core to be used for developing geotechnical assessments of planned mining areas, hydrological evaluation of ground water quantity and quality, geochemical characterization of the mineralized resource and host lithologies, and metallurgical evaluation of the prospective ore.

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:

September 13, 2011