

**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 29, 2011

3. News Release:

A press release reporting the material change was issued on September 29, 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.

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:

- **Completion of a total of approximately 12,000 feet through the drilling of 11 diamond drill holes since May 28, 2011.**
- **TJM-71 encountered the Main Lower Zone, with a 105 foot continuous intercept of massive and semi-massive sulfides from 810 feet to 915 feet with average grades of 4.7 g/tonne Au, 31 g/tonne Ag, 1.5% Cu and 8.2% Zn, netting a gold equivalent grade of 11.5 g/tonne over that section.**
- **TJM-81 encountered the Main Lower Zone, with a 61.5 foot continuous intercept of massive and semi-massive sulfides from 923.5 feet to 985 feet with average grades of 5.2 g/tonne Au, 17.0 g/tonne Ag, 1.8% Cu and 3.4% Zn, netting a gold equivalent grade of 10.1 g/tonne over 61.5 feet.**

As discussed in the NI 43-101 report titled "Turner Gold Resource and Preliminary Economic Assessment," revised on May 17, 2010, 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 addition to 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.

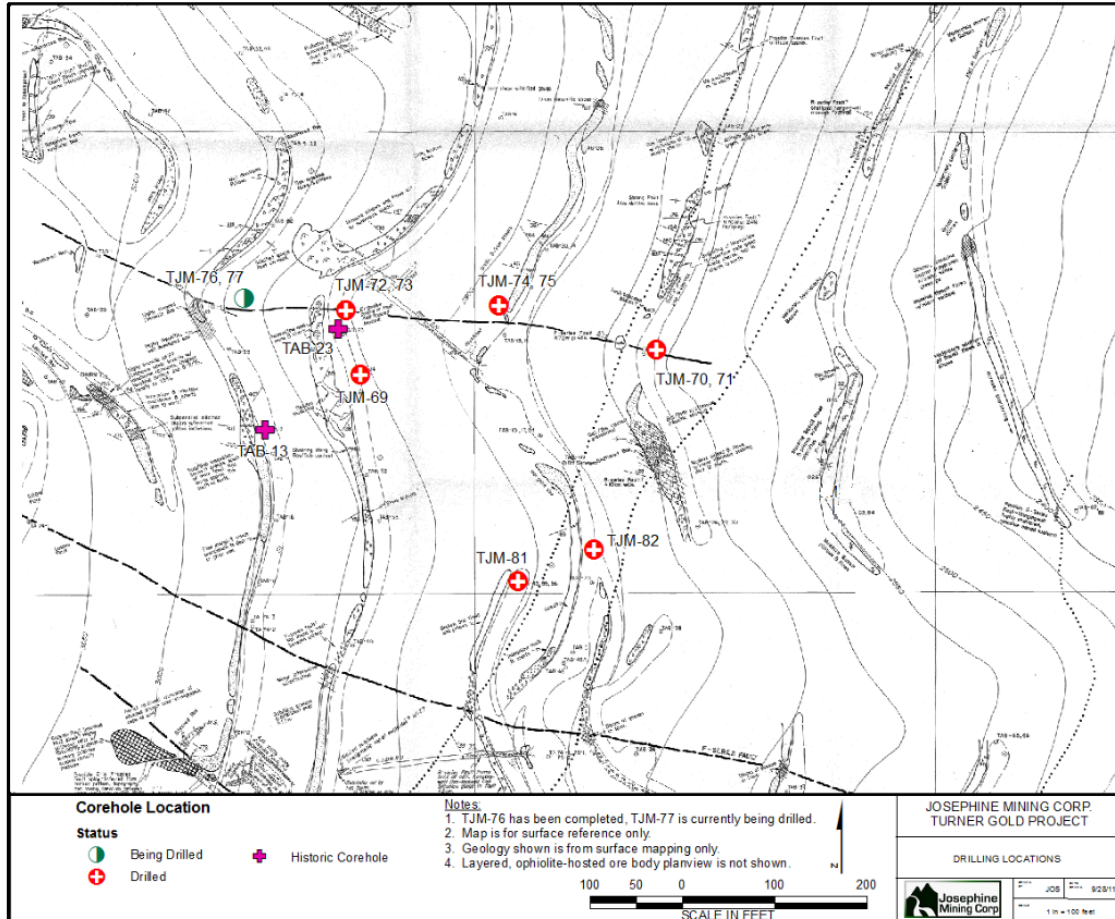


Figure 1 Map of Turner Gold Project showing drill hole locations and status

TJM-71 assays:

TJM-71 is an inclined “HQ” diamond drill core hole with a collar elevation of 2,666 feet (812.8 meters) located at Northing: 15256053 meters and Easting: 1435301 meters (UTM NAD 83) with a surveyed azimuth of 196.7 degrees and an inclination at the collar of -64.1 degrees from the horizontal. (Note: -90 degree= vertical.)

The following table gives relevant available assay information for diamond drill hole TJM-71, which was completed to a depth of 1,085 feet (330.7 meters) and intercepted zones of semi-massive and massive sulfides associated with the Main Lower Zone (MLZ). The relevant assay information has been reported over a specific intercept from 810 – 915 feet (246.9 – 278.9 meters).

Grades for significant TJM-71 intercepts average 4.67 g/tonne Au, 30.96 g/tonne Ag, 1.5% Cu and 8.2% Zn, netting a gold equivalent grade of 11.52 g/tonne over 105 feet. The data were averaged over that specific interval assuming 100% recovery and converted to an equivalent gold grade for each interval using the following metal prices: \$1,200 per ounce

Au, \$30 per ounce Ag, \$3/lb Cu and \$.75/lb Zn as stated in our current 43-101 compliant presentation.

Table 1: TJM-71 Assays (Main Lower Zone intercept)

TJM-71

Start (ft)	End (ft)	Interval (ft)	Au (g/t)	Ag (g/t)	Cu %	Zn (%)
810.0	811.9	1.9	2.56	11.40	0.19%	0.58%
811.9	814.2	2.3	2.99	23.70	0.18%	0.40%
814.2	815.2	1.0	1.77	5.90	0.14%	0.53%
815.2	818.0	2.8	3.84	20.30	0.26%	0.26%
818.0	820.0	2.0	4.03	26.00	0.36%	0.26%
820.0	825.0	5.0	6.18	21.90	0.55%	0.92%
825.0	830.0	5.0	7.51	16.60	0.33%	0.30%
830.0	835.0	5.0	5.70	18.90	0.87%	0.25%
835.0	840.0	5.0	4.37	78.00	1.40%	18.33%
840.0	845.0	5.0	6.35	39.00	2.07%	8.60%
845.0	850.0	5.0	6.65	39.00	2.42%	7.72%
850.0	855.0	5.0	5.64	42.00	2.11%	5.51%
855.0	860.0	5.0	5.62	24.00	1.25%	0.65%
860.0	865.0	5.0	5.41	36.00	2.42%	10.58%
865.0	870.0	5.0	5.54	57.00	2.55%	22.55%
870.0	875.0	5.0	3.70	50.00	2.27%	21.87%
875.0	880.0	5.0	4.03	43.00	1.60%	19.03%
880.0	885.0	5.0	4.09	44.00	1.60%	18.18%
885.0	890.0	5.0	4.60	52.00	1.56%	24.57%
890.0	895.0	5.0	6.95	25.00	4.13%	6.53%
895.0	900.0	5.0	7.06	16.80	3.12%	4.09%
900.0	905.0	5.0	0.95	4.00	0.38%	0.46%
905.0	910.0	5.0	0.67	3.00	0.23%	0.36%

TJM-81 assays:

TJM-81 is a vertical “HQ” diamond drill core hole with a collar elevation of 2,809 feet (856.2 meters) located at Northing:15255788 meters and Easting:1435147 meters (UTM NAD 83) with an inclination of 90 degrees from the horizontal (vertical).

The following table gives relevant available assay information for diamond drill hole TJM-81, which was completed to a depth of 1,164 feet (354.8 meters) and intercepted zones of semi-massive and massive sulfides associated with the Main Lower Zone (MLZ). The assay information has been reported over a specific intercept from 923.5 – 1,012.3 feet (281.5-308.5 meters).

Averaging the intercept from 923.5 – 985 feet (281.5-300.2 meters), these data represent average grades of 5.19 g/tonne Au, 17.05 g/tonne Ag, 1.8% Cu and 3.4% Zn, netting a gold equivalent grade of 10.16 g/tonne over 61.5 feet. The data were averaged over that specific interval assuming 100% recovery and converted to an equivalent gold grade for each interval using the following metal prices: \$1,200 per ounce Au, \$30 per ounce Ag, \$3/lb Cu and \$.75/lb Zn.

Table 2: TJM-81 Assays (Main Lower Zone intercept)

Start (ft)	End (ft)	Interval (ft)	Au (g/t)	Ag (g/t)	Cu %	Zn (%)
923.5	925.9	2.4	5.33	91.00	2.95%	0.41%
925.9	930.0	4.1	0.03	1.20	0.02%	0.08%
930.0	934.0	4.0	0.01	1.60	0.02%	0.38%
934.0	940.0	6.0	2.44	26.00	2.52%	7.02%
940.0	944.3	4.3	3.04	28.00	1.78%	8.78%
944.3	947.5	3.2	10.87	31.00	4.51%	9.33%
947.5	950.0	2.5	7.99	25.00	4.14%	3.92%
950.0	955.0	5.0	6.32	7.60	1.92%	1.02%
955.0	960.0	5.0	5.38	6.30	1.30%	0.88%
960.0	965.0	5.0	11.47	9.70	3.69%	1.56%
965.0	970.0	5.0	6.06	9.40	1.64%	2.20%
970.0	975.0	5.0	7.37	15.10	0.75%	5.48%
975.0	980.0	5.0	4.25	15.40	1.19%	3.00%
980.0	985.0	5.0	3.91	12.60	0.85%	2.63%
985.0	990.0	5.0	2.12	4.30	0.62%	0.52%
990.0	995.0	5.0	1.24	5.60	0.45%	1.07%
995.0	1000.0	5.0	0.69	2.20	0.17%	0.15%
1000.0	1005.0	5.0	0.54	2.10	0.25%	0.20%
1005.0	1010.0	5.0	0.71	1.60	0.35%	0.19%
1010.0	1012.3	2.3	3.51	4.40	1.27%	0.60%

Both TJM-71 and TJM-81 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. 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 approximately 12,000 feet through the drilling of eleven (11) holes, ten (10) of which, have been logged, split, sampled and six (6) are in queue for pending assay results. JMC looks forward to reporting assay results from additional drill holes in the near future as complete results become available.

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. JMC expects to complete a new resource update by year-end after the drilling is complete and all assay data has been received. As stated in previous press releases, 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.

Investors may look forward to further updates on the Turner Gold Project as management remains committed to maximizing shareholder value through a focused development, permitting, and acquisition plan.

Assay Methodology- Metcon Research, in Tucson Arizona has performed all primary sample prep and ICP lab analyses (Cu, Zn) using 3-acid (Nitric, Hydrochloric and Perchloric) digestion. Ag assays are completed via aqua regia solution and Atomic Absorption (AA).

All samples are 100% crushed to -10 mesh with 25% split off for pulverization to -150 to -200 mesh for current assay work. The remainder of the -10 mesh sample is purged with nitrogen and packaged for future metallurgical testing. Gold fire assays with AA finish and ICP checks were completed by American Analytical Lab (AAL) in Sparks, Nevada. Check fire assays for gold (AA finish) were completed by International Plasma Lab Ltd (IPL) in Richmond, BC, Canada. All assay results are reported by the lab in ppm units. In public disclosure, gram per metric tonne (g/t) is used, where 1 ppm is equivalent to 1 g/t.

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 30, 2011