JOSEPHINE MINING CORP.

INFORMATION CIRCULAR

for the Annual General Meeting
to be held November 14, 2014

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by the Management of Josephine Mining Corp. ("Josephine" or the "Corporation") for use at the annual general meeting of shareholders of the Corporation (the "Meeting") to be held at the Chase Building, conference room "A" located at 601 West Main, Suite 600, Spokane, Washington 99201, on Friday, November, 14, 2014, at 10:00 a.m. (Pacific Standard time) for the purposes set out in the accompanying Notice of Meeting. As a shareholder, you are cordially invited to be present at the Meeting. To ensure that you will be represented at the Meeting in the event that you are unable to attend personally, you are requested to complete, date and sign the accompanying form of proxy and return it to Computershare Trust Company by mail or fax no later than forty-eight (48) hours (excluding Saturday, Sunday and Holidays) prior to the time of the meeting or adjournment thereof.

The costs incurred in the preparation and mailing of the form of proxy, the Notice of Annual and Special Meeting and this Information Circular will be borne by the Corporation. The solicitation of proxies is expected to be primarily by mail but may also be made by personal interviews, telephone or other means of communication by the directors, officers and regular employees of the Corporation, at no additional compensation. The costs of proxy solicitation will be paid by the Corporation.

No person is authorized to give any information or make any representations other than those contained in this Information Circular and if given or made, such information or representations must not be relied upon as having been authorized to be given or made. Except where otherwise stated, the information contained herein is given as of October 3, 2014.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors or officers of the Corporation. **A shareholder has the right to appoint a nominee (who need not be a shareholder) to represent the shareholder at the Meeting other than persons designated in the enclosed proxy form, who are management designees, either by inserting the name of the chosen nominee in the blank space provided in the enclosed form of proxy or by completing another form of proxy.** Such shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how the shareholder's shares are to be voted. In any case, the form of proxy should be dated and executed by the shareholder or his or her attorney authorized in writing or if the shareholder is a corporation, under its corporate seal, or by an officer or attorney thereof duly executed.

A form of proxy will not be valid and not be acted upon or voted unless it is signed and dated and reaches the office of Computershare Investor Services Inc. (the "Transfer Agent"), at their offices located on the 9th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, or by toll-free fax 1-866-249-7775 by 10:00 AM (Pacific Standard Time) on November 12, 2014, to reach the addressee no later than forty-eight (48) hours (excluding Saturday, Sunday and holidays) prior to the time of the meeting, or if the Meeting is adjourned, by 3:00 pm (Toronto time) on the second business day prior to the date of the adjourned Meeting, or any further adjournment thereof.

A shareholder who has given a proxy may revoke it, in any manner permitted by law including, by instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, executed by a duly authorized officer or attorney of the corporation and deposited either at the head office of the Corporation at any time up to and including the last business day immediately preceding the day of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof.

Voting of Proxies

The common shares in the capital of the Corporation (the "**Common Shares**") represented by the enclosed Instrument of Proxy, if properly completed and executed, will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted for, against or withheld from voting in accordance with the specifications so made. **In the absence of any such instruction, the persons whose names appear on the printed form of proxy, will vote in favour of all the matters set out thereon. If any other business or amendments or variations to matters identified in the Notice properly come before the Meeting and where management of the Corporation is not aware of these amendments, variations or other matters to be presented to the Meeting, then discretionary authority is conferred upon the persons appointed in the proxy to vote in the manner they see fit.**

At the time of printing of this Information Circular, the management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many shareholders of the Corporation, as a substantial number of shareholders do not hold shares in their own name. Shareholders who do not hold shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares in the capital of the Corporation can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In Canada, the majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depositary for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy cannot use that proxy to vote Common Shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Information Concerning the Corporation

Voting Securities and Principal Holders of Voting Securities

The voting securities of Josephine are comprised of Common Shares of which 25,551,010 are outstanding as at October 3, 2014. Each Common Share entitles the holder thereof to one vote at meetings of shareholders of the Corporation.

To the knowledge of the directors and senior officers of Josephine, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the votes attached to the Common Shares of Josephine, except as follows:

Name	Voting Securities Held	Percentage of Voting Securities Held
Russell Mining Corp[(1)]	10,600,010	41.49%

Notes

(1) Robert L. Russell is a Director and major shareholder of Russell Mining and Minerals, ULC. ("**RMMU**"), which holds 10,600,010 Common Shares.

As of October 3, 2014, the directors and officers of the Corporation as a group owned beneficially, directly and indirectly, 10,637,510 Shares, representing 41.63% of the presently issued and outstanding Common Shares.

The directors of the Corporation have fixed October 3, 2014, at the close of business, as the record date for the determination of shareholders entitled to receive notice of the Meeting and to vote thereat. All holders of Common Shares of the Corporation at the close of business on the record date are entitled to attend and vote the Common Shares held by them, either in person or by proxy, at the Meeting or any adjournment thereof. However, a person appointed under a proxy will be entitled to vote the Common Shares represented by that proxy only if it is effectively delivered in the manner set out herein under the heading "Appointment and Revocation of Proxies" and has not been revoked.

To the extent that a person has transferred any Common Shares after the record date, and the transferee of those Common Shares produces a properly endorsed share certificate or otherwise establishes ownership no later than 10 days before the Meeting, such person shall be entitled to demand inclusion in the list of shareholders prepared by the Corporation before the Meeting and to vote thereat. The transfer books will not be closed.

Indebtedness of Directors and Senior Officers

There is not as of the date hereof, and has not been since the incorporation of the Corporation, any indebtedness owing to the Corporation by the directors, senior officers or other members of management of the Corporation, or any of their associates or affiliates.

Interest of Informed Persons in Material Transactions

There are no material interests, direct or indirect, of any directors or senior officers of the Corporation, nominees for director, any shareholder who beneficially owns more than 10% of the shares of the Corporation, or any known associate or affiliate of such persons in any transaction since the commencement of the Corporation's last completed financial year or in any completed or proposed transaction which has had a material affect or would materially affect the Corporation and which is not otherwise disclosed herein.

Interest of Certain Persons in Matters to be Acted Upon

Management of the Corporation is not aware of any material interests, direct or indirect, of any director or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial year, or any associate or affiliate of such persons in any manner to be acted on at the Meeting, other than as described herein.

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis ("**CD&A**") is to provide information about the Corporation's philosophy, objectives and processes regarding compensation for the following executive officers: (i) those who acted as the Corporation's Chief Executive Officer and Chief Financial Officer; and (ii) executive officers whose total salary and bonus exceeded $150,000 (the "**Named Executive Officers**"). It explains how decisions regarding executive compensation are made by the independent directors of the Board of Directors ("**Board**") and the reasoning behind these decisions.

For the period ending December 31, 2013, the Corporation had the following Named Executive Officers:

Robert L. Russell	Chief Executive Officer
Matthew J. Colbert	Chief Financial Officer

Option Plan

The Corporation has a stock option plan (the "**Option Plan**"), pursuant to which, the Corporation may grant incentive stock options to directors, officers, employees and consultants of the Corporation or any subsidiary thereof. The total number of shares issuable pursuant to the Option Plan is up to a maximum of 10% of the issued and outstanding common shares of the Corporation at any given time. The exercise price of each stock option is to be determined in the discretion of the board of directors at the time of the granting of the stock option, as is the term and vesting policies, provided that the exercise price shall not be lower than the market price or such discount from the market price as may be permitted by the stock exchange on which the Common Shares are listed and provided that no stock option shall have a term exceeding five years (or such longer period as is permitted by the stock exchange on which the Common

Shares are listed). There may not be issued to insiders within a one-year period, a number of Common Shares exceeding 10% of the outstanding issue and no one eligible optionee can receive stock options entitling the eligible optionee to purchase more than 5% of the total Common Shares. Finally, there may not be issued to any one insider and such insider's associates, within a one-year period, a number of Common Shares of the Corporation exceeding 5% of the outstanding issue.

Summary Compensation Table

The following table discloses, for the period indicated, total compensation received by the Named Executive Officer.

Name and Principal Position	Fiscal Year Ended Dec 31	Salary ($)	Share-Based Awards ($)	Option-Based Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)		All Other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans ($)	Long-term Incentive Plans ($)		
Robert L. Russell, President & Chief Executive Officer (a)	2011	127,500	NIL	112,389	NIL	NIL	NIL	239,889
	2012	180,000	NIL	NIL	NIL	NIL	NIL	180,000
	2013	135,000	NIL	NIL	NIL	NIL	NIL	135,000
Matthew J. Colbert, Chief Financial Officer	2011	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	2012	5,200	NIL	NIL	NIL	NIL	NIL	5,200
	2013	17,618	NIL	NIL	NIL	NIL	NIL	17,618

Notes:

1) The value of option-based awards was determined using the Black-Scholes option pricing model, a commonly used mathematical valuation model that ascribes a value to a stock option based on a number of factors, including the exercise price of the option, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security, the expected life of the option, forfeitures, dividend yield and the risk-free rate of return. The assumptions used in the pricing model are highly subjective and can materially affect the estimated fair value and do not correspond to the actual value that will be recognized by the Named Executive Officers. Calculating the value of stock options using this methodology is very different from a simple "in-the-money" value calculation. In fact, stock options that are well out-of-the-money can still have a significant estimated "grant date fair value" based on a Black-Scholes valuation, especially where, as in the case of the Company, the price of the share underlying the option is highly volatile. Whether, and to what extent, a Named Executive Officer realizes value will depend on the Company's actual operating performance, stock price fluctuations and the Named Executive Officer's continued employment. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation. The same caution applies to the amounts in the "Total Compensation" column above, which are based, in part, on the grant date fair value amounts set out in the "Option Based Awards" column above. The value of the in-the-money options currently held by each Named Executive Officer (based on share price less option exercise price) is set forth in "Outstanding Option-Based Awards" table below.

2) Robert L. Russell – No options were issued to Mr. Russell in 2013 or 2012. In 2011, the value of option-based awards, using the Black-Scholes Option pricing model, was 300,000 shares multiplied by $0.50. The Options were granted at an exercise price of 300,000 shares at CDN $0.50. Key additional weighted average assumptions used were: (i) the risk free interest rates, which was 2.15%; (ii) weighted average time to expiration of the Options which was assumed to be 3.25 years; and (iii) the volatility was120.0%.

Outstanding Option-Based Awards

The following table sets forth information with respect to the outstanding Options granted under Option Plan granted to the Named Executive Officers as of December 31, 2013.

Name	Option-Based Awards			
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (1) ($)	Option Expiration Date	Value of Unexercised In-the-Money Options (2) ($)
Robert L. Russell, President, CEO (3)	300,000	$ 0.47	3/25/2016	NIL
Matthew J Colbert, CFO	NIL	NIL	N/A	NIL

Notes:

(1) The option exercise price has been converted from the Canadian Dollar to the US Dollar at December 31, 2013.

(2) The value of unexercised in-the-money Options is based on the number of Options held as of December 31, 2013, and is calculated on the difference between the market value of the Common Shares on the TSX-V as at December 31, 2013, which was CDN$0.03 (USD$0.03), and the exercise price of the Option.

(3) At the time of granting, the Options were subject to a vesting schedule whereby one half vests one year from the date of grant and the final half vests two years from the date of grant. As at December 31, 2013, the entire 300,000 Options were fully vested.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth information with respect to the value of Options granted pursuant to the Option Plan and cash bonuses awarded pursuant to the annual incentive plan to the Named Executive Officers that vested during the period ending December 31, 2013.

Name	Options-Based Awards Value Vested during the Year (1) ($)	Non-Equity Incentive Plan Compensation Value Earned During the Year ($)
Robert L. Russell, President, CEO	NIL	NIL
Matthew J. Colbert, CFO	NIL	NIL

Note:

(1) The value that would have been realized from stock options is determined by multiplying the portion of each stock option grant that vested during 2013 by the difference between the closing share price of Josephine Mining Corp's Common Shares on the vesting date and the exercise price of the stock option. During the year ended December 31, 2013, none of the vesting dates had prices greater than the exercise price.

Equity Compensation Plan Information

The following table sets forth the number of Common Shares to be issued pursuant to equity compensation plans, the weighted average exercise price of such outstanding options and the number of Common Shares remaining available for future issuance under equity compensation plans of the Corporation as of October 3, 2014.

Plan Category	Number of securities to be issued upon exercise of outstanding Options	Weighted-average exercise price of outstanding Options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders	1,800,000	0.52	755,101
Equity compensation plans not approved by security holders	NIL	NIL	NIL
Total	1,800,000	0.52	755,101

Other Plans

The Corporation has no retirement plans, pension plans or other forms of retirement or deferred compensation for its officers.

Compensation Philosophy and Objectives of Compensation Programs

The Board determines the compensation to be paid or awarded to the Named Executive Officers of the Corporation. The Board seeks to encourage advancement of exploration projects and growth in reserves, in order to enhance shareholder value. To achieve these objectives, the Corporation believes it is critical to create and maintain compensation programs that attract and retain committed, highly qualified personnel by providing appropriate rewards and incentives and that align the interest of the officers of the Corporation with those of the shareholders to provide incentive to the officers to enhance shareholder value. However, as a junior exploration company the Corporation is constrained by the amount of capital it has available to it. This element was the primary focus of all compensation decisions in 2013.

In 2013, compensation for the Named Executive Officers consisted of the three elements: base salary, bonus, and long-term equity incentives. The following provides an overview of the elements of compensation.

Compensation Element	Type of Compensation	Name of Plan	Performance Period	Form of Payment
Base Salary	Annual - Fixed Pay	Salary Program	1 year	Cash
Bonus	Annual - Variable Pay	Employee Bonus Plan	1 year	Cash or shares
Long-Term Equity Incentives	Long Term - Variable Pay	Option Plan	up to 5 years	shares

During the fiscal year ended December 31, 2013, the Board had no formal meetings dedicated to compensation.

The Board uses all the data available to ensure that the Corporation is maintaining a level of compensation that is both commensurate with the size of the Corporation and sufficient to retain personnel it considers essential to the success of the Corporation. In reviewing comparative data, the Board does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined point. In the Board's view, external and third-party survey data provides an insight into external competitiveness, but it is not an appropriate single basis for establishing compensation levels. This is primarily due to the differences in the size of comparable companies and the lack of sufficient appropriate matches to provide statistical relevance.

In the process used by the Board to establish and adjust executive compensation levels, third-party survey data may be considered, along with an assessment of individual performance, experience and potential to contribute to operations and growth of the Corporation. The Board can exercise both positive and negative discretion in relation to the compensation awards and its allocation between cash and non-cash awards.

The Chief Executive Officer of the Corporation makes recommendations to the Board regarding total compensation to the Named Executive Officers of the Corporation (excluding the Chief Executive Officer), including base salaries, bonuses, long-term equity incentive grants. These recommendations are considered by the Board against information derived from publicly available information and adjusted, as applicable, for inflation and anticipated increases in the current year.

Salary. Base salary represents the fixed element of the Named Executive Officer's cash compensation. The base salary reflects economic considerations for each individual's level of responsibility, expertise, skills, knowledge and performance. Base salaries for the Named Executive Officers of the Corporation are reviewed annually by the Board.

In 2013, the Board elected to cease accruing any further payroll for the CEO starting October 1, 2013 due to the financial condition of the Company. The previously accrued payroll would remain as a payable until further notice. The Board made no changes to the base salary amounts for the CFO.

Annual Cash Bonus Awards. The Board has the authority, based upon management recommendations, to award discretionary annual bonuses to the executive officers. The annual discretionary bonuses are intended to compensate officers for achieving superior financial and operational goals of the Corporation. The discretionary annual bonus may be paid in cash or shares in an amount reviewed with management and recommended by the Board and approved by the Board. The actual amount of bonus is determined following a review of each executive's individual performance.

Bonuses awarded by the Board are intended to be competitive with the market while rewarding senior executives for meeting qualitative goals, including delivering near-term financial and operating results, developing long-term growth prospects, improving the efficiency and effectiveness of business operations and building a culture of teamwork focused on creating long-term shareholder value. Consistent with a flexible nature of the annual bonus program, the Board does not assign any specific weight to any particular performance goal nor is any specific weight assigned to the performance goals in the aggregate. The Board considers not only the Corporation's performance during the year with respect to the qualitative goals, but also with respect to market and economic trends and forces, extraordinary internal and market-driven events, unanticipated developments and other extenuating circumstances. In sum, the Board analyzes the total mix of available information on a qualitative, rather than quantitative, basis in making bonus determinations. No bonuses were awarded to the Named Executive Officers for the year ended 2013 due to the financial condition of the Company.

Long-Term Incentive Programs. The allocation of stock options and the terms designed in those options are an integral component of the compensation package of the senior officers of the Corporation. The Corporation has a stock option plan in place for the purpose of providing stock options to the officers. The Board believes that the grant of options to the executive officers and share ownership by such officers serves to motivate achievement of the Corporation's long-term strategic objectives and the result will benefit all shareholders of the Corporation. Stock options are awarded to employees of the Corporation by the Board based upon the recommendation of the Chief Executive Officer, who bases his decision upon the level of responsibility and contribution of the individuals toward the Corporation's goal and objectives. Also, the Board considers the overall number of stock options that are outstanding relative to the number of outstanding common shares of the Corporation in determining whether to make any new grants of stock options and the size of such grants. The granting of these specific options is reviewed by the Board for final recommendation to the Board for approval.

Director Compensation

The following table provides information concerning compensation paid to the non-executive directors for the fiscal year ended December 31, 2013 as compensation for acting as directors.

Name	Fees Earned ($)	Share-Based Awards ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
Anthony Dutton	NIL	NIL	NIL	NIL	NIL	NIL	NIL
James T. O'Neil	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Director Compensation - Outstanding Share-Based and Option-Based Awards

The following table sets forth information with respect to the outstanding Options granted under Option Plan granted to the directors as of December 31, 2013.

Non-executive Director Stock Options Outstanding as at December 31, 2013				
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (1) ($)	Option Expiration Date	Value of Unexercised In-the-Money Options (2) ($)
Anthony Dutton (3)	400,000	0.47	3/25/2016	NIL
James T. O'Neil	NIL	N/A	N/A	NIL

Notes:

(1) The option exercise price has been converted from the Canadian Dollar to the US Dollar at December 31, 2013.

(2) The value of unexercised in-the-money Options is based on the number of Options held as of December 31, 2013, and is calculated on the difference between the market value of the Common Shares on the TSX-V as at December 31, 2013, which was CDN$0.03 (USD$0.03), and the exercise price of the Option.

(3) At the time of granting, the Options were subject to a vesting schedule whereby one half vests one year from the date of grant and the final half vests two years from the date of grant. As at December 31, 2013, the entire 300,000 Options were fully vested.

Director Compensation - Incentive Plan Awards - Value Vested During the Year

The following table sets forth information with respect to the value of Options granted pursuant to Option Plan granted to the directors that vested during the period ending December 31, 2013. The directors are not eligible to receive cash bonuses pursuant to the annual incentive plan.

Name	Options-Based Awards Value Vested during the Year (1) ($)	Non-Equity Incentive Plan Compensation Value Earned During the Year ($)
Anthony Dutton	NIL	NIL
JamesT. O'Neil	NIL	NIL

Note:

(1) The value that would have been realized from stock options is determined by multiplying the portion of each stock option grant that vested during 2013 by the difference between the closing share price of Josephine Mining Corp's Common Shares on the vesting date and the exercise price of the stock option. During the year ended December 31, 2013, none of the vesting dates had prices greater than the exercise price.

Employment Contracts

The Company no longer has any active employment agreements remaining in place with any of the Named Executive Officers.

Corporate Governance

In establishing its corporate governance practices, the Board has been guided by Canadian securities legislation, including National Policy 58-201 Corporate Governance Guidelines and other regulatory requirements such as National Instrument 52-110 Audit Committees. Further disclosure of the corporate governance policies of the Corporation are appended hereto as Appendix II.

Audit Committee Disclosure

The Corporation's audit committee is composed of two directors: Anthony Dutton and James T. O'Neil, both of whom may be considered to be independent, and both of whom are financially literate (as determined under Multilateral Instrument 52-110 *Audit Committees*). The charter of the Corporation's audit committee is set out in an appendix to this Information Circular.

As a company listed on the TSX Venture Exchange, the Corporation is exempt from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of Multilateral Instrument 52-110 *Audit Committees*, and is relying on the exception contained in section 6.1 of that instrument.

Pre-Authorization of Non-Audit Services

The audit committee has pre-authorized non-audit services from the Corporation's auditors such as quarterly reviews of interim financial statements.

Fees Charged by External Auditors

The following table sets out the aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for the category of fees described.

	2012	**2013**
Audit Fees	37,775	26,750
Audit-Related Fees	Nil	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
Total	37,775	26,750

Additional Information

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com or at the Corporation's website, www.josephinemining.com. To obtain copies of the Corporation's financial statements and Management's Discussion and Analysis, please contact Kristi Harvie at (509) 343-3193 or e-mail kharvie@josephinemining.com.

The financial information is provided in the Corporation's comparative consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial period.

Annual Meeting Business

Financial Statements

The consolidated financial statements of the Corporation for the year ended December 31, 2013 with the auditor's report thereon will be placed before the shareholders at the meeting. The presentation of such audited financial statements to the shareholders will not constitute a request for approval or disapproval.

Election of Directors

The Articles of the Corporation provide that the Board of Directors shall consist of a minimum of 3 and a maximum of 15 directors to be elected annually.

The term of office for each director is from the date of the meeting at which he or she is elected until the annual meeting next following or until his successor is elected or appointed. At the Meeting, a board of three directors is proposed to be elected. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of the nominee specified below as directors of the Corporation. If, prior to the Meeting, any vacancies occur in the slate of proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Corporation and FOR the remaining proposed nominees. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected

The following table states the names of all persons proposed to be nominated for election as directors, the position or office now held by them, if applicable, their principal occupation or employment for the preceding five years, the date on which they became directors of the Corporation and the number of shares in the capital of the corporation owned by them or over which they exercise control or direction as at the date hereof.

Name and Municipality of Residence	Position with the Corporation	Principal Occupation for the past 5 years	Period of Service	Common Shares Beneficially Owned or Controlled	Number of Options
Robert L. Russell, Washington, USA	President, Chief Executive Officer, Chairman of the Board	President, Chief Executive Officer, Chairman of the Board for the Company. Chairman of the Board for St. Augustine Gold & Copper Ltd. from 2011 to August 2014. Director and Chairman of Russell Mining Corp. Director of Mines Management Inc. from 1999 to present. President of Russell Associates Engineering & Technology, LLC from 1998 to present.	Since March 2011	10,600,010 (1)	300,000
James T. O'Neil (2)	Director	Director for the Company. Chief Financial Officer & Executive Vice president of Jipangu International and subsidiaries. Vice President-Finance, Controller and Treasurer at Apollo Gold Corporation from 2003 to 2006	Since November 2011	Nil	Nil
Anthony Dutton (2)	Director	Director for the Company. Director of War Eagle Mining Company Inc. Director for 0903658 B.C. Ltd (formerly Centric Energy Corp) from September 2009 to present. President, CEO, and Secretary for IBC Advanced Alloys Corp. from July 2008 to present. President, CEO, and CFO for the Company (formerly Green Park Capital Corp.) from 2007 to March 2011. CEO of DELU Enterprises Ltd from 2006 to present.	Since March 2011	37,500	400,000

Notes:

(1) Robert L. Russell is on the board of directors and is a shareholder of Russell Mining Corporation, the parent company of RMMU, which holds the beneficial ownership to 10,600,010 Common Shares.

(2) Member of the audit committee.

Penalties or Sanctions

None of the proposed directors of the Corporation have, within the ten years prior to the date of the Information Circular, been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading and securities, promotion or management of a publicly traded issuer, or theft or fraud.

Corporate Cease Trade Orders or Bankruptcies

No proposed director of the Corporation has, within the ten years prior to the date of the Information Circular, been a director or executive officer of any reporting issuer that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the reporting issuer access to any statutory exemption for a period of more than 30 consecutive days or was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person.

Personal Bankruptcies

None of the proposed directors of the Corporation have, within the ten years preceding the date of the Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Appointment of Auditors

At the Meeting, the shareholders will be called upon to appoint the auditors to serve until the close of the next annual meeting of the Corporation and to authorize the directors to fix the remuneration of the auditors so appointed.

The Corporation proposes that Meyers Norris Penny (MNP), Chartered Accountants, of Calgary, Alberta, be appointed as auditors of the Corporation until the next annual meeting at such remuneration as may be approved by the Board of Directors of the Corporation. MNP, LLP were first appointed auditors effective March 29, 2011.

Annual Approval of Stock Option Plan

At the Meeting, shareholders of the Corporation will be asked to consider and, if deemed advisable, approve a resolution approving the Corporation's existing Option Plan. Annual shareholder approval of the Option Plan is required by the TSX Venture Exchange Inc. The terms of the Option Plan are described in this Information Circular (see "*Information Concerning the Corporation – Executive Compensation – Option Plan*") and no changes to the Option Plan are proposed. The Corporation recommends approving the existing Option Plan.

The form of resolution to be considered by shareholders at the Meeting is as follows:

"Be it resolved that:

1. the Corporation's existing stock option plan is hereby approved; and

2. any one officer or director of the Corporation is hereby authorized to execute and deliver all such documents and to do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution."

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. The persons named in the enclosed form of proxy intend to vote at the meeting in favour of this resolution.

Other Business

Management is not aware of any other business to come before the Meeting other than as set forth in the Notice. If any other business properly comes before the Meeting, it is the intention of the persons named in the Instrument of Proxy to vote the Common Shares represented thereby in accordance with their best judgement on such matter(s).

Certificate and Approval

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

The Board of Directors of the Corporation has approved the contents, mailing and delivery of this Information Circular.

DATED: October 15, 2014

"Signed"
Robert L. Russell
President & Chief Executive Officer

"Signed"
Matthew J. Colbert
Chief Financial Officer

Appendix I to Notice of Meeting and Information Circular of Josephine Mining Corp. dated October 3, 2014

JOSEPHINE MINING CORP.
(the Company")

Audit Committee Charter

Mandate

The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. The Committee's primary duties and responsibilities are to:

(1) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;

(2) review and appraise the performance of the Company's external auditor;

(3) provide an open avenue of communication among the Company's auditor, financial and senior management and the Board of Directors; and

(4) report regularly to the Board of Directors the results of its activities.

Composition

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in Multilateral Instrument 52-110 entitled "Audit Committees"), then all of the members of the Committee shall be free from any material relationship with the Company that, in the opinion of the Board of Directors, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Company ceases to be a venture issuer then all members of the Committee shall also have accounting or related financial management expertise. All members of the Audit Committee should have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting or until their successors are duly elected. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet a least once quarterly, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

A. Documents/Reports Review

1. review and update this Audit Committee Charter annually;

2. review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditor; and

3. review regular summary reports of directors and officers expense account claims at least annually. Establish and review approval policies for expense reports and, as required, request audits of expense claims and policies for expense approval and reimbursements. The Chairman of the Audit Committee or of the Compensation Committee to approve expense reports of the President and the CEO and the CEO to approve those of the directors and officers.

B. External Auditor

1. review annually, the performance of the external auditor who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company;

2. obtain annually, a formal written statement of external auditor setting forth all relationships between the external auditor and the Company;

3. review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;

4. take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;

5. recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval;

6. recommend to the Board of Directors the compensation to be paid to the external auditor;

7. at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;

8. review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;

9. review with management and the external auditor the audit plan for the year-end financial statements; and

10. review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:

    (a) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditor during the fiscal year in which the non-audit services are provided,

    (b) such services were not recognized by the Company at the time of the engagement to be non-audit services, and

    (c) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

    Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

C. <u>Financial Reporting Processes</u>

1. in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;

2. consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;

3. consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditor and management;

4. review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;

5. following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;

6. review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements;

7. review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;

8. review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;

9. review certification process;

10. establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;

11. establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and

12. on at least an annual basis, review with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements, the Corporation's compliance with applicable laws and regulations, and inquiries received from regulators or government agencies.

D. Authority

The Audit Committee will have the authority to:

1. review any related-party transactions;

2. engage independent counsel and other advisors as it determines necessary to carry out its duties;

3. to set and pay compensation for any independent counsel and other advisors employed by the Committee;

4. communicate directly with the auditors; and

5. conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel and other professionals to assist in the conduct of any investigation.

APPENDIX II

JOSEPHINE MINING CORP.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Disclosure Requirement	Our Corporate Governance Practices
1. Board of Directors	
(a) Disclose the identity of directors who are independent.	Anthony Dutton and James T. O'Neil are independent as that term is defined in section 1.4 of Multilateral Instrument 52-110 *Audit Committees* ("MI 52-110").
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	Robert L. Russell is not independent as he is an officer of the Corporation.
2. Directorships	
(a) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	The directors are also directors or trustees of the reporting issuers set out beneath their respective names below. Anthony Dutton Arco Resources Corp. IBC Advanced Alloys Corp. Robert L. Russell CMX Gold & Silver Corp. Mines Management, Inc.
3. Orientation and Continuing Education	
(a) Describe what steps, if any, the board takes to orient new board members and describe any measures the board takes to provide continuing education for directors	New directors will be made aware of the nature and operation of the business of the Corporation through interviews with other board members and management during which they are briefed on the Corporation and its current business issues. Information on courses pertaining to corporate governance is circulated to Board members who are encouraged to attend.

Disclosure Requirement	Our Corporate Governance Practices
4. Ethical Business Conduct	
(a) Describe what steps, if any, the board takes to promote a culture of ethical business conduct.	The Board has adopted a written Code of Business Conduct for all employees and consultants. The Board has also adopted a Whistleblower Policy. Compliance is monitored by the Board receiving, annually, certificates from the officers of the Corporation confirming their compliance with the Code of Conduct. Additionally, prior to such certification being given, each employee and consultant will have received a memo from management reiterating the need to comply with the Code of Conduct and reminding them that the Whistleblower Policy facilitates anonymous disclosure of any breach. Directors must disclose all interests and relationships of which the director is aware which may give rise to a conflict of interest. Directors are also required to disclose any actual or potential personal interest in a matter on which the Board is making a decision and withdraw from the deliberations.
5. Nomination of Directors	
(a) Describe what steps, if any, are taken to identify new candidates for board nominations including: (i) who identifies new candidates; and (ii) the process of identifying new candidates.	The members of the Board share responsibility for proposing new nominees for the Board.
6. Compensation	
(a) Describe what steps, if any, are taken to determine the compensation for the issuer's directors and CEO, including: (i) who determines compensation; and	The board periodically reviews the adequacy and form of compensation of directors to ensure that the level of compensation realistically reflects the responsibilities and risks involved in being an effective director.

Disclosure Requirement	Our Corporate Governance Practices
(ii) the process of determining compensation.	The non-management directors on the Board set the annual salary, bonus and other benefits, direct and indirect, of the CEO and approves the compensation for all other designated officers after considering the recommendations of the CEO.
7. Other Board Committees	
(a) If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	Given the small number of members, the Board does not have any other committees other than the audit committee.
8. Assessments	
(a) Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.	The Board conducts an annual review of its effectiveness as well as the effectiveness and contribution of each Board committee and each individual director.