



## Developing Turner Gold

January 2012

TSX-V: JMC

[www.josephinemining.com](http://www.josephinemining.com)

# Disclaimer

*This JMC information packet, subscription and prospectus may include certain statements that may be deemed “forward-looking statements.” All statements in this release, other than statements of historical facts, including the likelihood of commercial mining and possible future financings are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include unsuccessful exploration results, changes in metals prices, changes in the availability of funding for mineral exploration, failure to obtain all required permits, unanticipated changes in key management personnel and general economic conditions. Mining is an inherently risky business. Accordingly, the actual events may differ materially from those projected in the forward-looking statements. For more information on the Company and the risks and challenges of its business, investors should carefully review the Company’s investment documents that are available in the offering packet before investing.*

**This presentation has been reviewed and approved by James J. Moore, JMC’s Qualified Person as defined under NI 43-101.**

# The Josephine Approach

Our mission is the acquisition, engineering design, permitting, construction and operation of advanced stage mineral projects.

# Capital Structure

## Outstanding Shares

- Private Placement
  - 14M shares
- Current Management
  - 10.5M shares
- Green Park Capital
  - 850k shares

## Total Current Equity

25.45M shares

## Fully Diluted Equity

46.19M shares

(Warrant/Option Exercise is valued at \$25.37 M)

## Outstanding Options & Warrants

Optionee	No. of Options	Exercise	
		Price	Expiry Date
Current Management	1,850,000	\$0.50	25-Mar-16
Current Directors	400,000	\$0.60	14-June-16
Former Directors	19,000	\$0.50	28-Mar-13
Former Directors	57,000	\$0.50	25-Mar-12
Broker	37,500	\$0.75	24-Mar-13
Broker	735,000	\$0.50	24-Mar-13
Investor Relations Firm	100,000	\$0.70	01-Oct-14
Investor Relations Firm	50,000	\$1.00	01-Oct-14
<b>Total Options</b>	<b>3,248,500</b>		

Warrant Holder	Warrants Outstanding	Exercise	
		Price	Expiry Date
Current Management	5,250,000	\$1.50	26-Jun-14
Current Management	5,250,000	\$2.00	26-Jun-14
Subscribers	6,993,000	\$0.75	24-Mar-13
<b>Total Warrants</b>	<b>17,493,000</b>		

# Board & Management Team

<b>President &amp; Chairman of the Board</b>	<b>Robert L. Russell, P.E.</b>	<ul style="list-style-type: none"> <li>▪ Chairman of the Board, St. Augustine Gold and Copper, Ltd.</li> <li>▪ President/CEO/Chairman/Founder, General Moly, Inc. (originally Idaho General Mines)</li> <li>▪ GM, Nchanga Division, Zambia Consolidated Copper Mines</li> <li>▪ Executive VP/GM, Freeport McMoRan Copper and Gold, and PT Freeport Indonesia</li> <li>▪ Director, Mines Management Inc.</li> <li>▪ Executive, Exxon Mineral Co.</li> <li>▪ Mines Manager, The Bunker Hill Company</li> </ul>
<b>Director &amp; CFO</b>	<b>R. Lee Chapman, C.P.A.</b>	<ul style="list-style-type: none"> <li>▪ VP of Business Services, Newmont Gold</li> <li>▪ Director, General Moly, Inc.</li> <li>▪ Director, Thunder Mountain Gold, Inc.</li> <li>▪ VP &amp; CFO, Apollo Gold</li> <li>▪ Admin. Manager/CFO, Barrick Gold Strike Mines, Inc.</li> </ul>
<b>VP Business Development</b>	<b>Robert L. Dumont</b>	<ul style="list-style-type: none"> <li>▪ CFO/Executive VP, Business Development, General Moly, Inc.</li> <li>▪ Equity Portfolio Manager, Morgens, Waterfall, Vintiadis &amp; Co., Inc., N.Y., N.Y.</li> <li>▪ Head of Strategic Investments, Whitehead Associates</li> <li>▪ Mineral Economics Analyst, Chase Manhattan Bank, N.A., N.Y., N.Y.</li> <li>▪ University of Idaho – Bachelor of Science in Mining Engineering</li> </ul>
<b>Manager of Engineering</b>	<b>Ralph M. Barker, P.E.</b>	<ul style="list-style-type: none"> <li>▪ 28+ yrs. experience in underground mining operation, engineering, contracting and consulting: many feasibility studies</li> <li>▪ Served in management and technical positions at operating mines, ASARCO, Lac Minerals, Getchel Gold</li> <li>▪ Overseas exp., PT Freeport Indonesia, UN Mission in Kosovo – Washington Int’l, Bema Gold</li> <li>▪ Consulting engineer, nine yrs. with McIntosh Engineering</li> <li>▪ Construction Management - large mine development, expansions, shaft sinking</li> <li>▪ University of Idaho – Bachelor of Science in Mining Engineering</li> </ul>

# Management Team (cont.)

<b>Project Manager &amp; Senior Engineer</b>	<b>Mark C. Russell, P.E.</b>	<ul style="list-style-type: none"> <li>▪ Operations/Advanced Projects Manager, Azteca Gold Corp.</li> <li>▪ Led successful effort to drill two of the deepest diamond drilling holes for hard rock mining in N. America (10,242 and 11,373)</li> <li>▪ Senior Aerospace Engineer/Manager, Boeing, Kistler Aerospace, Intel, Blue Origin</li> <li>▪ Stanford University - Master of Science, Aeronautics &amp; Astronautics</li> </ul>
<b>Manager of Permitting &amp; Environmental</b>	<b>Obie Strickler, R.G.</b>	<ul style="list-style-type: none"> <li>▪ Nine yrs. Regulatory exp. in Oregon, DOGAMI, DEQ, OWRD, ODFW, USFS, BLM</li> <li>▪ Project Manager, JBR Environmental Consultants</li> <li>▪ Oregon resource/exploration permitting exp. for Au, Cu, Ni, Co &amp; Chromite</li> <li>▪ Registered Oregon geologist</li> <li>▪ Southern Oregon University – Bachelor of Science, Geology</li> </ul>
<b>Director</b>	<b>Andrew J. Russell</b>	<ul style="list-style-type: none"> <li>▪ President/CEO, St. Augustine Gold &amp; Copper, Ltd.</li> <li>▪ VP of Development, General Moly, Inc.</li> <li>▪ Business Leader, Honeywell International</li> <li>▪ Manager of Maintenance, Kennecott Utah Copper Refinery</li> </ul>
<b>Director</b>	<b>Anthony Dutton</b>	<ul style="list-style-type: none"> <li>▪ President/CEO/Director, IBC Advanced Alloys Corp.</li> <li>▪ Principal, Primary Capital Group</li> <li>▪ Corporate Finance/Strategic Advisor, Curson Capital Corp.</li> <li>▪ Director, War Eagle Mining Company, Inc.</li> </ul>
<b>Director</b>	<b>Jim O’Neil Jr., CMA</b>	<ul style="list-style-type: none"> <li>▪ CFO/COO, Jipangu International since 2006</li> <li>▪ Over 30 yrs. experience in a series of senior appointments with ASARCO and its subsidiaries (3 yrs. As VP of Finance &amp; Administration)</li> <li>▪ VP of Finance, Controller and Treasurer for Apollo Gold Corporation, and its subsidiaries</li> </ul>

# The Turner Gold Project

- PEA stage Gold/Copper VMS (Volcanogenic Massive Sulfide) Deposit
- Substantially Drilled – exploration potential at depth
- NI 43-101 compliant Resources:
  - 2,422 Ktons **Indicated** @ Au: 0.09 oz/ton, Cu: 1.18%, Ag: 0.30 oz/ton, Zn: 2.48%
  - 2,064 Ktons **Inferred** @ Au: 0.08 oz/ton, Cu: 0.94%, Ag: 0.59 oz/ton, Zn: 2.60%
- Production: +/- 1,200 tpd
- Initial Mine Life: 8 yrs. (2014-2022)
- Average Annual LOM Production: approx. 440,000 tons/yr.
- Low Capital Cost: \$72M

# Ore Value/Cash Cost (Au Eq)

Turner Gold Project – Ore Value and Project Cash Cost per ounce of Gold Equivalent					
Resource Category	Tonnage (short Ktons)	Imperial Grade	Contained Metal	Metric Grade	Contained Metal
<b>Indicated</b>	2,422	Au 0.086 opt	208,292 ounces	Au 2.95 ppm	6.48 million grams
		Ag 0.30 opt	726,600 ounces	Ag 10.29 ppm	22.60 million grams
		Cu 1.18%	57,159,200 lbs.	Cu 1.18%	25,927 tonnes
		Zn 2.48%	120,131,200 lbs.	Zn 2.48%	54,491 tonnes
<b>Inferred</b>	2,064	Au 0.084 opt	173,376 ounces	Au 2.88 ppm	5.39 million grams
		Ag 0.59 opt	1,217,760 ounces	Ag 20.23 ppm	37.88 million grams
		Cu 0.94%	38,803,200 lbs.	Cu 0.94%	17,601 tonnes
		Zn 2.60%	107,328,000 lbs.	Zn 2.60%	48,683 tonnes

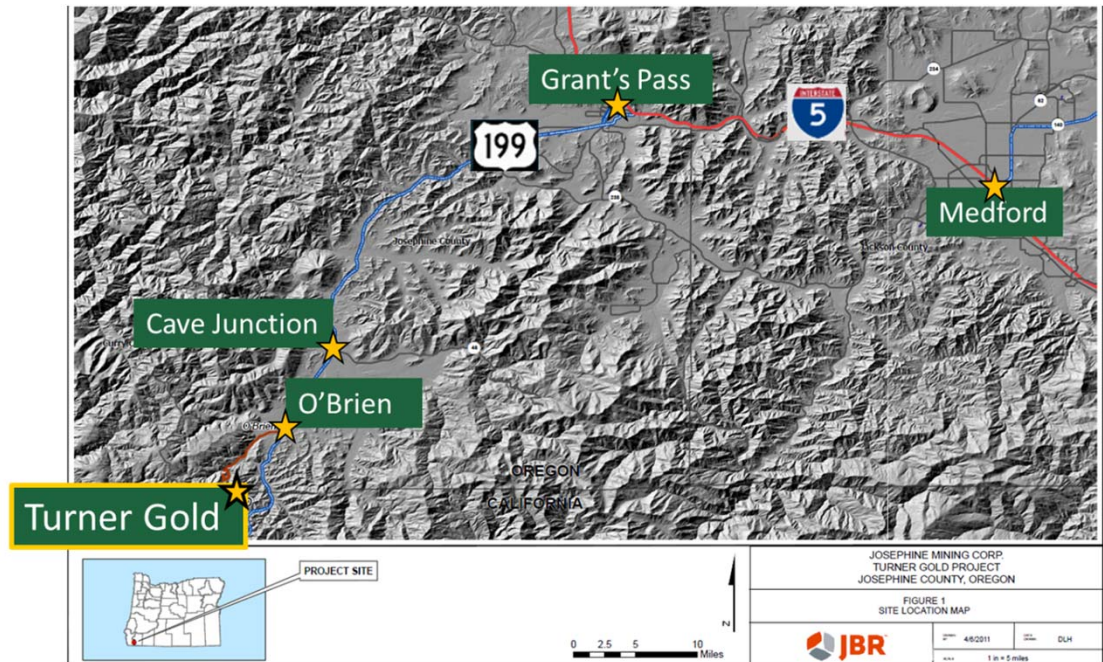
Cash Cost/ton ore = \$64.55 (From Feb. 2010 PEA)  
 Equivalent Grade = 0.099 opt AuEq (calculated) or 3.069 g/t Au Eq  
 Cash Cost/Equivalent Oz = \$650 /oz AuEq (pending PEA update)

*Metal prices used in calculation are: \$1,200/oz Au, \$30.0/oz Ag, \$3.0/lb Cu & \$0.75/lb Zn*



# Project Location

- Location: O'Brien, Southwestern Oregon, USA
  - 40 miles SW of Grants Pass (Interstate 5, Railhead)
  - 140 miles South of Coos Bay (Deep-water Port)
- Private Land
- Infrastructure nearby – power, water and road access

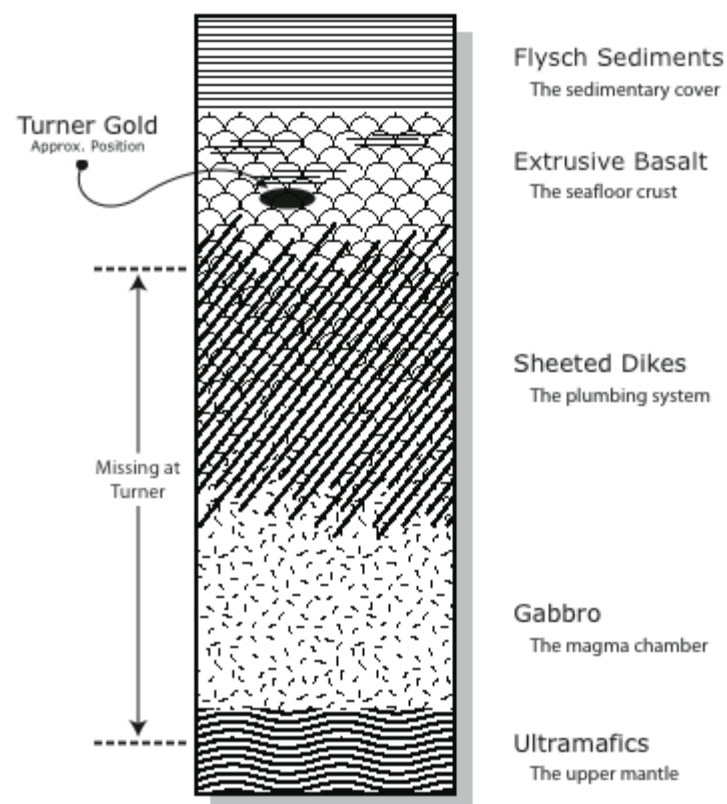


- Josephine County population = 82,000
  - 57% between ages 18 and 65
  - June 2011 Unemployment rate (reported) 12%

# Geology & Mineralization

- **Deposit Occurrence:**
- Deposit occurs in Western Jurassic Belt of Klamath Mountains
- Josephine Ophiolite is the predominant local feature
  - Preserved section of seafloor crust dated at 157 million yrs.
- Numerous high-grade precious and base metal deposits throughout the Klamath Mountains
  - Commonly associated with mafic to felsic intrusive events
- **Deposit Type:**
- “Cyprus-type” Volcanogenic Massive Sulfide (VMS)
- Intimately associated with seafloor volcanism and extensional tectonics
- Implies mineralization with high content of sulfide minerals
  - Copper, zinc and lead sulfides
  - Pyrite/other iron sulfide minerals

- **Idealized Ophiolite Stratigraphy**



# Turner Gold Project History

- Discovered in 1900
- \$12M invested in 64,112 ft. (19,541 m) of drilling & development (1974 - 2010)
- Josephine Mining Corp. has invested  $\approx$  \$6.3M as of 9/30/11
  - Drilling Program
  - Mine Planning
  - Geologic Modeling
  - NI 43-101
  - Baseline Scoping Study
  - Baseline Studies
  - Environmental & Permitting
  - Indirect Costs

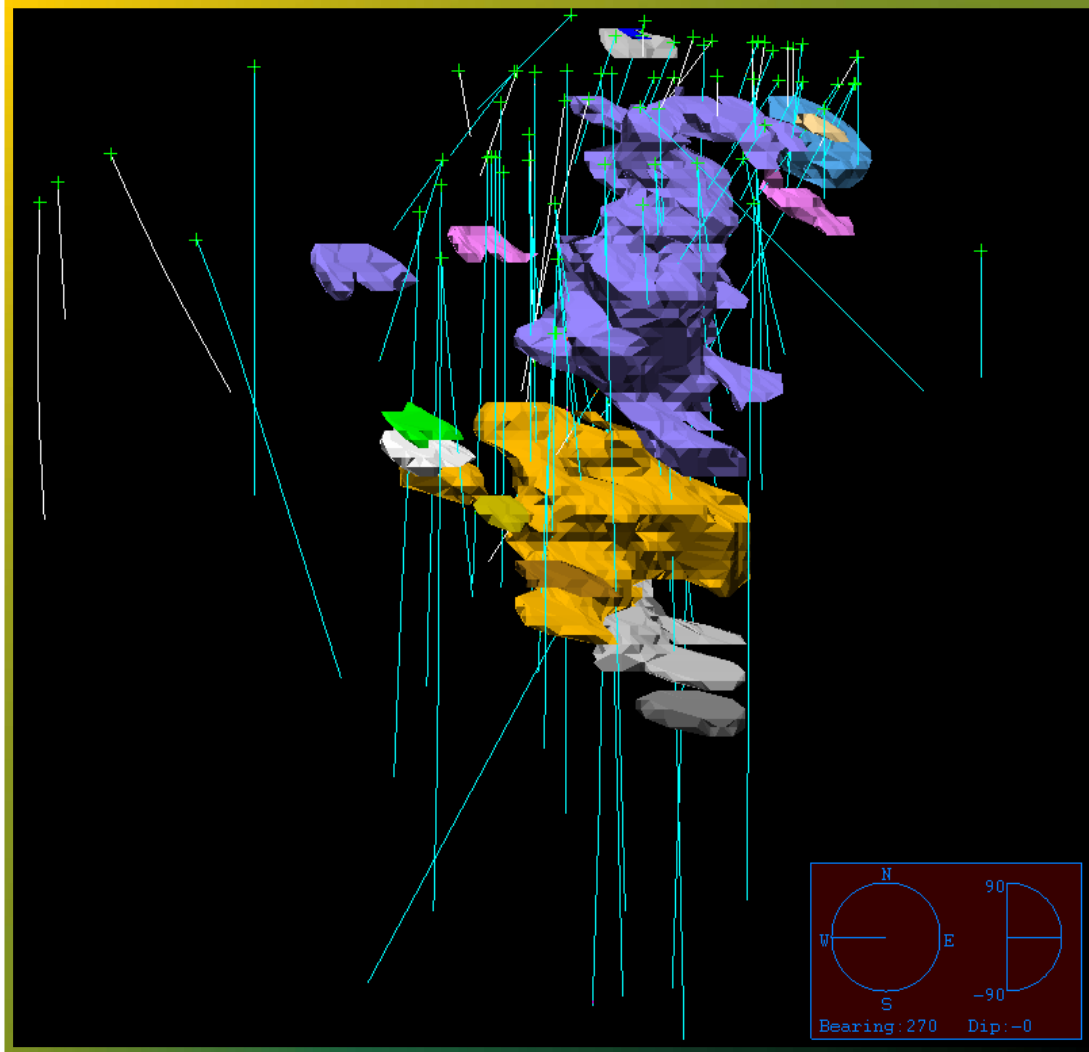
# Advanced Stage Drilling

Drilled by	Hole Type	# of Holes	Year(s)
Granby	Core Hole	1	1957/58
Loyd Frizzell	Churn Holes	4	1960s
Loyd Frizzell	Core Holes	2	1960s
AmSelco	DDH Holes	9	1974/75
Baretta	DDH Holes	30	1980/81
Noranda	DDH Holes	18	1982
Rayrock	DDH Holes	13	1983-86
Lupine-AUR	DDH Holes	7	1989

## History Under 7 Previous Exploration Companies:

- Drill total of 64,112.2 ft.
- 84 separate holes
- Of these, 3,256.5 ft. in 43 holes penetrated potential ore-grade material

# Historic Drill Hole Cross-Section



Vertical Projection Looking West  
Through Ore Zones

Colors Not Significant

Deepest hole  $\approx$  1,200 ft.  
(Not to scale)

# JMC Drill Results\*

Hole Name	Intercept	Interval (ft.)**	Au (g/tonne)	Ag (g/tonne)	Cu %	Zn %	Au Eq (g/tonne)***
TJM – 69 (Infill)	256.2 – 415.0	158.8	1.8	22.7	0.16%	2.92%	3.9
TJM – 69 (Infill)	625.0 – 665.0	40.0	3.7	3.6	0.74%	0.18%	5.2
TJM – 71 (Infill)	810.0 – 915.0	105.0	4.7	31.0	1.5%	8.2%	11.5
TJM – 81 (step-out)	923.5 – 985.0	61.5	5.2	17.0	1.8%	3.4%	10.1
TJM – 82 (step-out)	921.1 – 975.0	53.9	5.5	8.7	1.3%	2.5%	9.1
TJM – 73	246.0 – 255.0	9.0	8.6	29.6	4.12%	0.45%	15.6
TJM – 73	298.9 – 922.2	31.1	3.1	13.8	2.86%	3.15%	9.1
TJM – 74	450.0 – 530.0	80.0	4.0	8.2	0.90%	1.84%	6.3
TJM – 74	775.0 – 835.0	60.0	1.8	54.3	0.87%	11.0%	8.7
TJM – 74	879.6 – 813.4	33.8	8.7	8.6	2.05%	1.19%	12.5
TJM – 75	983.3 – 1020.0	36.7	2.2	163.6	0.88%	23.01%	15.8
TAB – 60	315.0 – 340.0	25.0	0.1	85.0	0.94%	11.31%	8.3
TAB – 60	360.0 – 370.0	10.0	10.0	12.2	3.78%	0.31%	16.8
TAB – 60	800.4 – 875.6	75.2	3.5	9.8	1.96%	3.88%	8.9

\*\* Interval footage does not represent true widths \*\*\* Assuming 100% recovery, and converted to an equivalent gold grade for each interval using the following metal prices: \$1,200 per ounce Au, \$15 per ounce Ag, \$3/lb Cu and \$0.85/lb Zn.

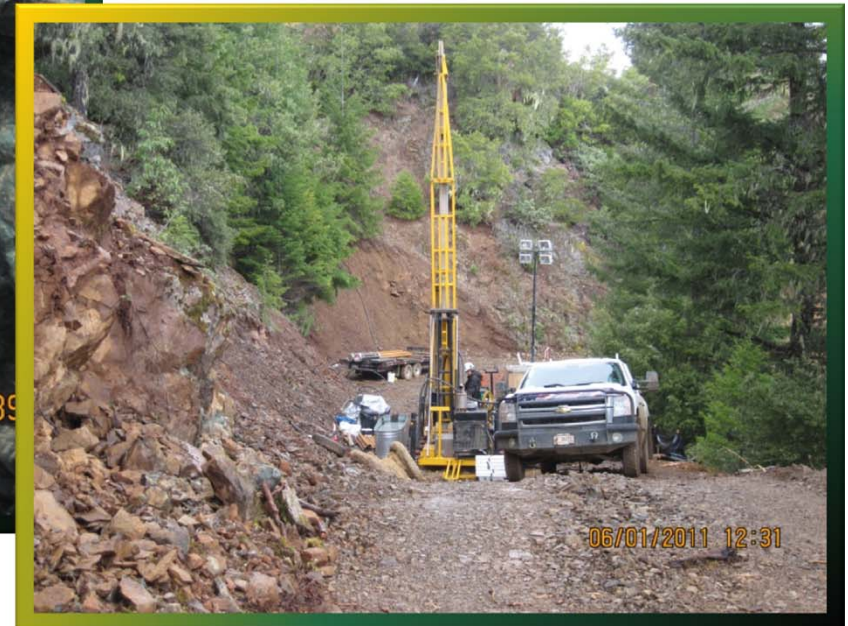
\*Assay results and more detailed information for these diamond drill holes may be viewed on the Company website in the 2011 news releases dated Sept. 9, Sept. 29, and Oct. 6, and 2012 news release dated Jan. 11.



# Exploration Program

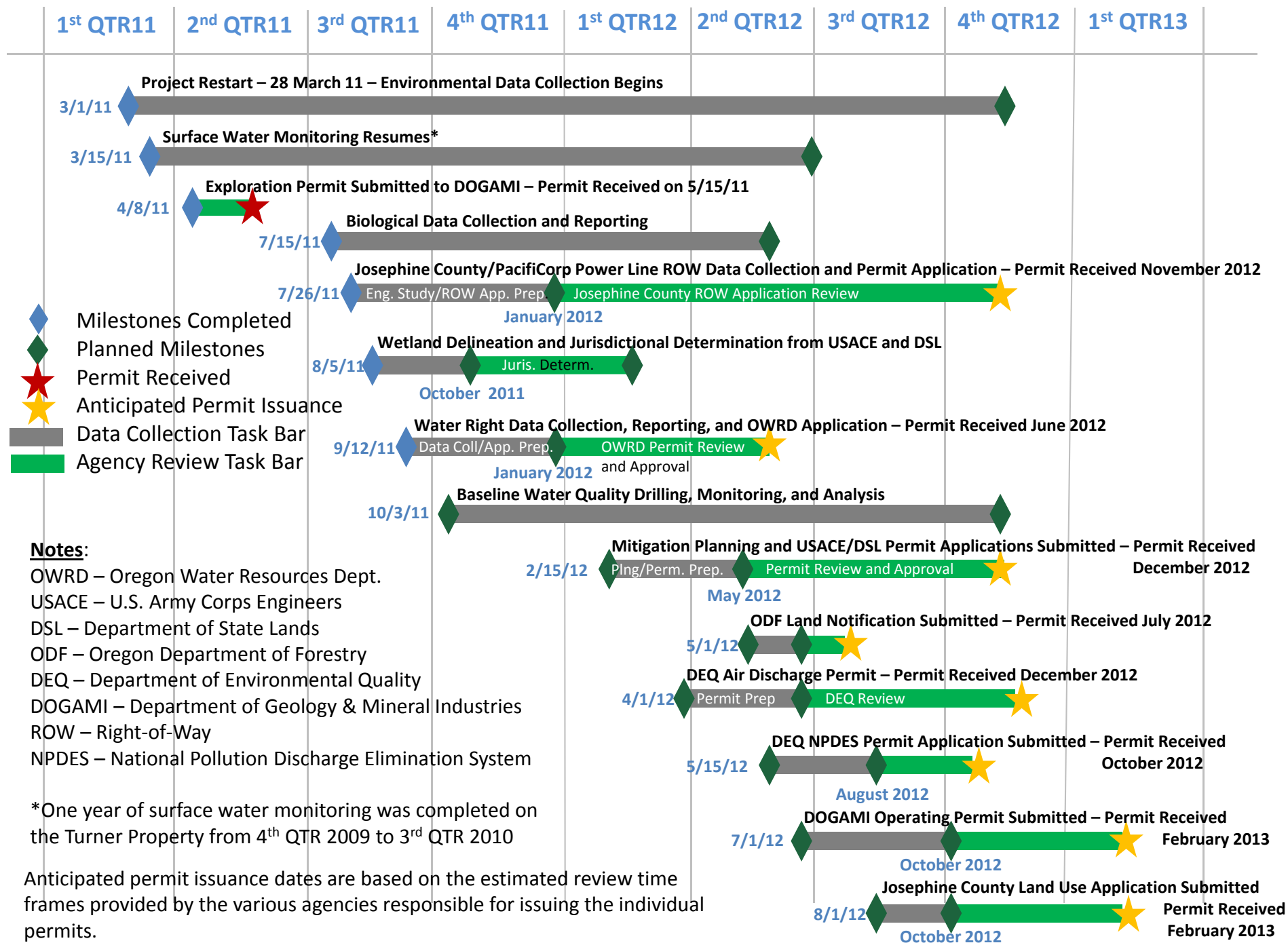


- Numerous small exploration targets in/around Josephine County



- Part of program aimed toward resource expansion
  - Advanced-stage
- Josephine Ophiolite extends into California
  - Closed to mineral extraction (National Recreation Area)

*Validating the Resource...*





# Permitting Overview

- Patented Fee Land:
  - No Federal Operating Permits
- State Permitting:
  - Dept. of Geology and Mineral Industries (DOGAMI)
  - Regulated by: Division 35 (non-leaching) Oregon Mined Land Reclamation Act
  - Will require DOGAMI Operating and Reclamation Permit
- JBR Environmental Consultant:
  - Highly qualified/experienced
  - Strong DOGAMI relationship
  - Offices in Medford, OR and Reno, NV

*Clarifying the Process...*

# Permitting Accomplishments

## March 2011

- Initiated Data Collection
  - 18 mo. data collection
  - Planned Submittal – Q4 2011
  - DOGAMI 120-day review upon submittal
- Surface Water Monitoring Resumed

## May 2011

- Exploration Permit Received

## July 2011

- Initiated Biological Data Collection & Reporting
- Initiated Josephine County/PacifiCorp Power Line Right-of-Way (ROW) Data Collection and Permit Application

## August 2011

- Initiated Wetland Delineation and Jurisdictional Determination from US Army Corps of Engineers (USACE) and Dept. of State Lands (DSL)

## September 2011

- Initiated Water Right Data Collection, Reporting, and Oregon Water Resource Dept. (OWRD) Application

# Anticipated Permit Receipt Schedule

## June 2012

- Oregon Water Resource Dept. (OWRD) Permit Approval

## July 2012

- Oregon Dept. of Forestry (ODF) Land Notification Permit

## October 2012

- Dept. of Environmental Quality (DEQ) National Pollution Discharge Elimination System (NPDES) Permit

## November 2012

- Josephine County/ PacifiCorp Power ROW Permit

## December 2012

- DEQ Air Discharge Permit
- United States Army Corps of Engineers (USACE)/Dept. of State Lands (DSL) Permit

## February 2013

- DOGAMI Operating Permit
- Josephine County Land Use Permit

# Project Economics

■ Initial Capital (\$M)	71.8
■ Total Revenue (\$M)	605
■ Operating Cost (\$M)	223
■ Operating Margin (\$M)	381
■ NPV @ 8% (\$M, 2009\$)	115.4
■ IRR %	37.5%
■ Payback Years	2.2
■ PV Ratio (NPV/CapEx)	1.6

■ Mining Cost (\$/ton)	28
■ Process Cost (\$/ton)	15
■ G&A/Shipping (\$/ton)	7
■ Smelting/Refining (\$/ton)	14
■ Total Cost (\$/ton)	64
■ Payable Value (\$/ton)	185
■ Payable Au Recovery	65%
■ Payable Cu Recovery	84%

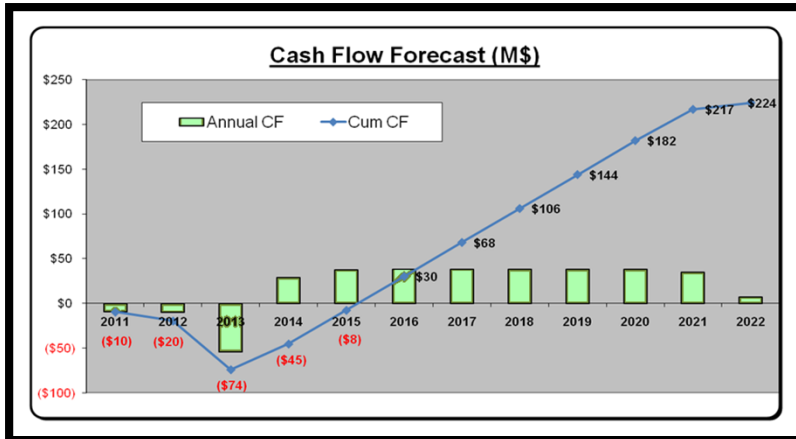
Recoveries may change as a result of planned metallurgical testing to be conducted in 4Q2011

## Price Assumptions:

Gold - \$1,200/troy oz    Copper - \$3/lb    Silver - \$30/troy oz    Zinc - \$0.75/lb

*Compelling Projected Returns...*

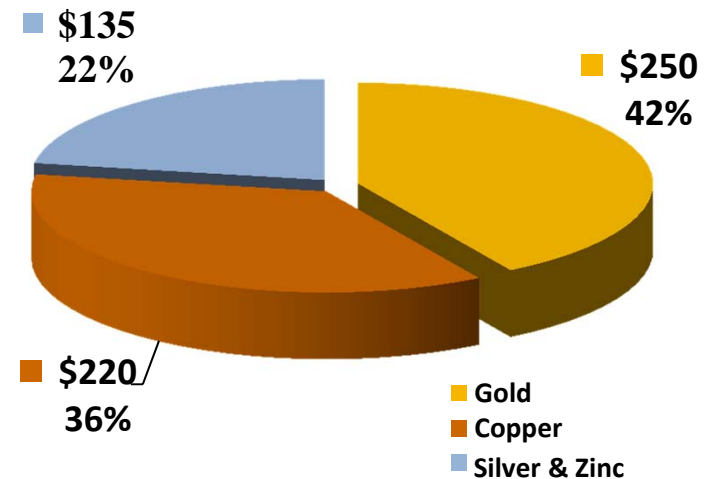
# Project Economics



PEA economics at higher metal prices

- NPV @ 8% (\$M, 2009\$) \$115.4
- IRR % 37.5%
- Payback Years 2.2

**Total Revenue (\$605 M)**



Price Sensitivity					
% Change	Gold - Price Per Oz	Copper - Price Per Lb	NPV (\$M)	IRR %	Payback (Yrs)
+20%	\$1,440	\$3.60	\$166.6	47.3%	1.8
+10%	\$1,320	\$3.30	\$141.0	42.6%	2.0
<b>Baseline</b>	<b>\$1,200</b>	<b>\$3.00</b>	<b>\$115.4</b>	<b>37.5%</b>	<b>2.2</b>
-10%	\$1,080	\$2.70	\$89.8	32.1%	2.5
-20%	\$960	\$2.40	\$64.2	26.2%	3.0

# Development Timeline & Budget

## Budget

2011 – \$8.8M

- Baseline Studies
- Completed Drill Program
- Permitting
- Prelim Mine Design/Engineering
- Corporate & Mine Staffing
- Property Acquisition
- Contingency/G&A

2012 – \$10.7M

- Final Feasibility Study
- Detailed Engineering
- Permit Applications/Reports
- Corporate & Mine Staffing
- Property Acquisition
- Contingency/G&A

## Timeline

- Drilling Program/Resource Validation
  - \$1.2M to drill 12,000 ft.
  - Started May 29<sup>th</sup>, 2011
  - Completed October 3<sup>rd</sup>, 2011
- Preliminary Feasibility Study: 1Q 2012
- Permits planned submittal: 3Q 2012
- Permits issued target date: 1Q 2013
- Feasibility Study: 1Q 2013
- Estimated production target date: 4Q 2014

*Design, Build, Produce...*



# JMC Achievements

## October 2011

- ✓ Drilling Program completed
- ✓ CHF engaged as outside marketing/Investor Relations

## September 2011

- ✓ Recorded purchase of oil, gas, and mineral rights in Josephine County: 390.58 Acres

## June 2011

- ✓ Option to Purchase Wagner Property: 333.70 acres

## May 2011

- ✓ Paid Reclamation Bond
- ✓ Received Exploration Permit
- ✓ Began Drilling Program

## April 2011

- ✓ Purchased Dorsett Property: 40 acres

## March 2011

- ✓ Qualifying Transaction
- ✓ Listed on TSX Venture Exchange (TSX-V: JMC)
- ✓ \$7M Initial Fundraising

## June 2010

- ✓ JMC Acquisition Program
  - Turner Gold Option to Purchase Agreement

## May 2010

- ✓ NI 43-101 Preliminary Economic Assessment

*Executing the Josephine Approach...*



# RMMI Group Projects

## Current

**Turner Gold Project –  
Josephine Mining Corp.  
(TSXV:JMC)  
Oregon, USA**

**King-king Project –  
St. Augustine Gold & Copper  
Limited (TSX:SAU)  
Mindanao, Philippines**

## Prior

**Mount Hope –  
General Moly, Inc.  
(AMEX:GMO)  
Nevada, USA**

**Liberty Tonopah –  
General Moly, Inc.  
(AMEX:GMO)  
Nevada, USA**

# Contact Information

## CHF Investor Relations

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