

ESSEX MINERALS INC.

Vancouver, British Columbia

ESSEX DRILLS HIGH-GRADE GOLD AND SILVER ON AUSTRALIAN PROPERTY: 18.8 g/t Au AND 160.6 g/t Ag OVER 6.4 METRES

Not for Distribution in the United States or dissemination through a U.S. newswire service

September 2, 2020 – Vancouver, British Columbia, Canada. – Essex Minerals Inc. (the “Company” or “Essex”, TSX-V: ESX) is very pleased to announce that the first ever drill program on its Cumberland gold-silver joint venture project in Queensland, Australia, has intersected high-grade gold and silver mineralization.

Highlights

- Drill hole **20RBZ-DD001** has intersected **18.8 g/t gold and 160.6 g/t silver over 6.4m** from 139.5 to 145.9m downhole, including **63.6 g/t gold and 462.7 g/t silver over 1.7m**.

The hole also intersected **9.9 g/t gold and 191 g/t silver over 0.5m** from 152.5 to 153m downhole.

- Drill hole 20RBZ-DD002, located 1km northwest of 20RBZ-DD001, has intersected a 167m downhole zone of alteration associated with breccias infilled by fluorite and flooded by fine-grained silica in places, and has returned anomalous gold up to 0.45g/t Au and elevated arsenic and base metal values, demonstrating that a potentially large hydrothermal mineralising system is present.
- Drill hole 20RBZ-DD003 located 200m southeast of the 20RBZ-DD001 has also intersected wide zones of alteration associated with silicification and fine-grained sulfides. Assays are pending.
- As a result of the high-grade intersection from Hole 20RBZ-DD001 and the presence of wide alteration zones in holes two and three, the Cumberland drill program has been increased to six drill holes so that all the primary geochemical and structural targets along the 3.5km RBZ Structural Zone are tested at this time.

Essex President and CEO Paul Loudon comments: “To intersect high-grade gold and silver mineralization in the first drill hole on an early stage project is a testimony to the quality of structural interpretation and target generation exploration work undertaken over the past six years by our joint venture partner KNX Resources Limited.

“The intersection of large intervals of alteration distributed over a wide area is indicative of a substantial hydrothermal system, and the discovery of high-grade gold and silver in at least part of this system points to the high prospectivity of the RBZ Structural Zone for hosting a large epithermal gold and silver deposit.

“Further, it validates our strategy of backing geological teams with a track record of success and providing drilling money to advanced exploration projects in Tier 1 locations.”

The northern Australian state of Queensland has a history of large epithermal gold deposits – Kidston (5M oz at 1.24g/t), Mt Leyshon (3.4M oz at 1.43g/t Au) and Pajingo (3M oz at 6g/t Au) – but remains under-explored in comparison to Western Australia and more recently Victoria.

Private Australian company KNX generated their northern Queensland properties – Cumberland and Mount Turner - on the back of detailed structural analysis and progressive camp-scale tenement staking over the past six

years. Both properties were selected for their potential to host large, epithermal high-grade gold and gold-silver deposits and have been subjected to detailed geological mapping and sampling to generate drill ready targets.

Cumberland Property

The Cumberland property comprises four granted exploration permits covering 25,024ha, 70 km northwest of the former 5 million-ounce Kidston gold mine.

The property contains six prospects which show characteristics of poly-metallic, low sulfidation, epithermal mineralization. From within these prospects, the initial diamond drilling program commenced on the RBZ Structural Zone, a major 3.5km northwest trending structural corridor dislocated by conjugate northeast structures which have created a number of dilation centres.

The dilation centres have been intruded by a series of Permo-Carboniferous, poly-phase intrusives culminating in late stage altered rhyolites. The centres have then been overprinted with surface mineralization consisting of hydrothermal breccias associated with multi-phase quartz-adularia silver and gold mineralization.

Current Drilling Program

The Phase 1 drill program is expected to continue for another 2-3 weeks and is designed to test the 3.5km RBZ structure. Four holes were originally planned, but in light of the initial positive results, this has been increased to six holes so that all the primary geochemical and structural targets along the 3.5km RBZ Structural Zone are tested at this time.

Results from these initial six holes will provide guidance for a follow-up Phase 2 drill program which will aim to define the geometry, intensity and geological controls on mineralization. Drilling to date is on time and on budget. Photographs of the drill core and a drill location map have been posted on the Company's website at the following link. Additionally, the southern RBZ surface geochemical map and a geological cross section of this hole have also been posted on the website. <https://essexminerals.com/cumberland/>

Drill Hole Summaries

20RBZ-DD001 was drilled into the southern part of the RBZ Structural Zone, an area of poor outcrop but containing a coherent, contiguous zone of anomalous soil geochemistry (defined by >25 ppb gold and >100 ppb silver) that can be traced on the surface for approximately 900m and up to 250m in width.

The high-grade precious gold and silver mineralization intersected occurs within a 20m (downhole) wide zone (138m to 159m downhole, approximately 80m to 83m vertical depth) of intensely fractured and brecciated Proterozoic coarse-grained granite, and was drilled under a gold-silver-arsenic soil anomaly.

The mineralized interval (139.5m to 145.9m downhole) includes a zone of more intense brecciation that has been subsequently flooded with hydrothermal fine-grained quartz and abundant associated base metals in a matrix of a greenish mineral tentatively identified as fuchsite (a chromium rich mica). The presence of significantly elevated chromium (up to 800ppm) may indicate that the hydrothermal fluids have been derived from or flowed through a mafic source rock.

The zone in which the high-grade mineralisation is located appears to be steeply dipping. Sulfides make up to 5 to 10% of the quartz rich flooding, and consist of coarse-grained pyrite, sphalerite, galena and arsenopyrite with no visible gold.

The second drill hole **20RBZ-DD002** is located approximately 1km northwest of 20RBZ-DD001 and targeted a small sub-cropping zone of altered and brecciated granite, as well as a postulated structure under Little MacDonald Creek derived from structural analysis. No surface soil geochemistry was undertaken due to extensive surface alluvial cover. The hole intersected extensively brecciated and altered coarse-grained granite for an interval in excess of 167m downhole which was cut by numerous zones of fine silica flooding associated with fluorite and fine-grained pyrite. Assays returned anomalous gold values up to 0.45 g/t Au and intermittent elevated arsenic and base metals, providing encouragement that a potentially large hydrothermal mineralising system is present.

The third hole **20RBZ-DD003** was collared approximately 200m southeast of 20RBZ-DD001. The hole is pervasively potassic altered and overprinted over 157m downhole by several zones up to 10m wide of argillic and phyllic alteration containing variable drusy quartz veining and some visible fine-grained sulfides. The hole was drilled under a silver-arsenic soil anomaly. Initial interpretation indicates this hole has been drilled peripheral to the multi-phase diorite intrusion intersected in hole 20RBZS-DD001 and also within a wide alteration system displaying similar sub-vertical structures. Assays are pending.

The drilling to date confirms the initial interpretation that coarse-grained Proterozoic granite on the property have been invaded by Permo-Carboniferous multi-phase, sub-volcanic intrusives over a 3.5kilometre long structural corridor associated with the Cumberland Range Volcanic Event. All rocks intersected in the holes drilled to date have been initially pervasively potassic altered and subsequently overprinted by later stage phyllic alteration associated with silica flooding and veining over large intervals. Late stage carbonate infilling of fractures and veinlets is also evident. Petrological studies are in progress. The intersection of large intervals of alteration distributed over a wide area is indicative of a substantial hydrothermal system. The intersection of high-grade gold and silver in at least part of this system points to the high prospectivity of the RBZ Structural Zone.

All samples from the current drilling program are being processed in Townsville by ALS Global, an independent accredited laboratory. Gold assays are completed by 50g screen fire assay with atomic absorption finish, with the over limit samples rechecked by fire assay with a gravimetric finish. Silver and multi-element analysis is undertaken by inductively coupled plasma atomic emission spectroscopy (ICP-AES) with over limits assayed by four acid digestion with ICP-AES.

Regrettably, assay turnaround times are slower than usual at the moment because of workplace shift restrictions resulting from Covid-19 combined with an accelerated pace of exploration activity in the northern Australia region. The Company will release additional assay results of the Phase 1 drill holes as they become available.

Table of Drill Hole Collar Locations

Drill Hole	Easting	Northing	Azimuth	Inclination
20RBZ-DD001	746830mE	7968800mN	270	minus 55
20RBZ-DD002	745681mE	7969738mN	060	minus 55
20RBZ-DD003	746922mE	7968620mN	270	minus 55

KNX Joint Venture

Under the terms of the venture, Essex has the right to earn an initial first-stage earn in of 50% of KNX's interest in three properties – Cumberland, Compass Creek and Mt Turner - by spending AUD \$1 million on exploration by May, 2021. KNX currently owns 80% of Cumberland and Compass Creek and 100% of Mt Turner. After completing the first stage earn-in, Essex has the right to buy out the balance of KNX's interest for cash or shares at independent valuation or earn an additional 20% interest in Cumberland and Compass Creek and an additional 25% interest in Mt Turner by spending a further AUD \$3 million on exploration.

About Essex

Essex Minerals is an exploration and development company focused on mineral exploration and development opportunities where it can adopt an option earn-in and joint venture model without the issuance of vendor shares. By identifying geological teams that have already expended the time and capital to assemble top quality, advanced projects, with a particular emphasis on gold projects in Tier 1 jurisdictions. Management's time is shared across several different projects, as the geological teams already in place manage the approved exploration and development programmes. This strategy has the potential to accelerate the growth in shareholder value for Essex by earning an interest in a range of projects of merit in a much shorter time frame than otherwise would be possible.

Competent Person

All of the scientific and technical information contained in this news release has been reviewed and/or prepared by Mr Lee K. Spencer, BSc (Hons), MSc, MAusIMM, a "Qualified Person" within the meaning of National Instrument 43-101 - Standards of Disclosure for Minerals Projects.

Paul Loudon
President & CEO

For further information please contact:

Harbor Access LLC

Graham Farrell email: graham.farrell@harboraccessllc.com Tel: +1 (647) 530 1430

Jonathan Paterson email: jonathan.paterson@harboraccessllc.com Tel: +1 (203) 202 2028

www.essexminerals.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The securities offered have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined under the U.S. Securities Act) absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.