

ESSEX MINERALS INC.

Vancouver, British Columbia

EXPLORATION COMMENCES ON MT TURNER GOLD PROJECT OPTEGRA CAPITAL RETURN APPROVED

June 16, 2021 – Vancouver, British Columbia, Canada. – Essex Minerals Inc. (the “Company” or “Essex”, TSX-V: ESX) is pleased to provide an update on its Australian gold exploration earn-in joint venture with KNX Resources Ltd (“KNX”) and the Company’s plans to spin out a new streaming and royalty company with a focus on income from renewable energy and battery materials.

Highlights

- Crews have been mobilized in preparation for drilling of the Mt Turner gold project in north Queensland, Australia.
- The extension to the Mt Turner tenement granted to the joint venture in late 2020, has now been permitted for drilling bringing together over 19 km of mineralized strike length in the eastern Drummer Fault.
- The eastern 14 km of the Drummer Fault is characterized by several open pits mined for gold by Union Mining NL to a depth of 20m in oxide material in the early 1990s.
- A drill rig has been secured for late July (on standby for earlier) to compete the initial six-hole 800 metre program to test the width and plunge of the down-dip extension of the gold and silver bearing shoots mined in the open pits.
- While access roads for the rig and drill pads are prepared, the field crew has secured an excavator and is undertaking trenching and channel sampling along structure from the open pits.
- In parallel, a soil sampling program over the nearby Mt Turner porphyry copper-molybdenum target will be undertaken to better define drill targets.
- The Company has received 100% acceptance from the shareholders of KNX for its offer to acquire all the issued and outstanding shares in KNX in exchange for five million shares in Essex, which will result in Essex owning 100% of the Mt Turner project and 83% of the Cumberland and Compass Creek gold projects.
- The Company is pursuing a number of other project opportunities in the precious metals and battery material sectors as part of its on-going strategy of building up a diversified portfolio of option and earn-in joint venture agreements.
- Essex shareholders have also approved a special dividend of shares in Optegra Capital Corp (“Optegra”), a new streaming and royalty company, with a focus on income from renewable energy and battery materials.

Essex Minerals President and CEO Paul Loudon: said: “After a long wet season, we are pleased our field crew is back on the ground in north Queensland and that a rig has been secured to initiate drilling this potentially large near surface gold target.

“We look forward to an exciting few months ahead of us as we report results from the Mt Turner drilling, plan additional exploration programs on the Company’s Cumberland and Compass Creek Australian gold projects, and investigate additional option and earn-in joint venture opportunities for the Company.”

Mount Turner

The Mt Turner Project, 15 km northwest of the Georgetown, comprises a 48 sq km exploration permit granted to KNX in 2019. An additional license was granted in November 2020 bringing the total project area to 96 sq km. The property contains the Permo-Carboniferous Mt Turner, multi-phase intrusive complex, associated with a porphyry copper-molybdenum system with classic zoned polymetallic mineralization and associated gold in peripheral breccias and veins. The property also contains the 19 km long Drummer Fault, which cuts across the northern part of the porphyry and contains epithermal gold and silver mineralization in veins and shear zones.

The eastern 14 km of the Drummer Fault is characterized by several open pits mined for gold by Union Mining NL to a depth of 20m in oxide material in the early 1990s. Historical drilling by Union Mining to a maximum of 20m depth is recorded within the mined pits, which generally range in strike from 200m to 300m, while no drilling was ever undertaken below or between the various mined out pits. The 44 aircore holes reported by Union Mining returned on average 8.6m intercepts averaging 1.95 g/t Au.

Limited data on the tonnage and grade processed by Union Mining is available, however, surface sampling by the joint venture within the Union Mining pits have returned assays up to 29 g/t gold in sulfides.

Integration of historical data with the initial surface sampling by the joint venture suggests the gold and silver mineralization in the eastern zone is contained within multiple, sub-parallel steeply dipping shoots. The same structures in the western part of the Drummer Fault were drilled by Esso Minerals in the 1970s for uranium. Some of the shoots reach the surface and some are under soil cover, making the entire length of the Drummer Fault between the historical pits prospective for gold mineralization with associated high-grade silver (See figures 1-4).

Initial surface sampling of the target zone was reported on January 28, 2021, and included rock chip sampling in and around Union Mining's pits which averaged 5.11 g/t gold and 24 g/t silver (12 samples ranging from 0.4 g/t to 29.4 g/t Au and 2.0 to 49.6 g/t Ag), and surface sampling of untreated sulfide dumps and exposed pit walls which averaged 9.85 g/t gold and 23.9 g/t silver (eight samples ranging from 3.8 g/t Au to 19.8 g/t Au and 10.0 g/t to 40.9 g/t Ag). Five of the samples were from the sulfide dumps and averaged 10.1 g/t Au and 25.5 g/t Ag.

The first phase drilling program is planned to test the width and plunge of the gold and silver bearing shoots. In addition to drilling on the Drummer Fault, a detailed soil sampling program is now underway on the Mt Turner porphyry copper-molybdenum target with a view to defining drill targets.

KNX Joint Venture

Essex and KNX each own 50% of the Mt Turner property and now each own 41.5% of the Cumberland and Compass Creek properties as a consequence of private company AMD Resources Ltd electing to dilute rather than contribute to property expenditures.

On 29 March 2021, Essex announced that it had agreed to acquire all the issued and outstanding shares in KNX in exchange for the issuance of five million ordinary shares in Essex to the shareholders of KNX. KNX has advised Essex that 100% of KNX shareholders have accepted the acquisition.

The purchase shares will be subject to a statutory four-month hold period and an additional voluntary escrow until Oct. 24, 2021. The purchase is subject to the approval of the TSX Venture Exchange.

The acquisition of KNX will result in Essex owning 100% of Mt Turner and 83% of the Cumberland and Compass Creek properties.

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.

ISSUED ON BEHALF OF ESSEX MINERALS INC.

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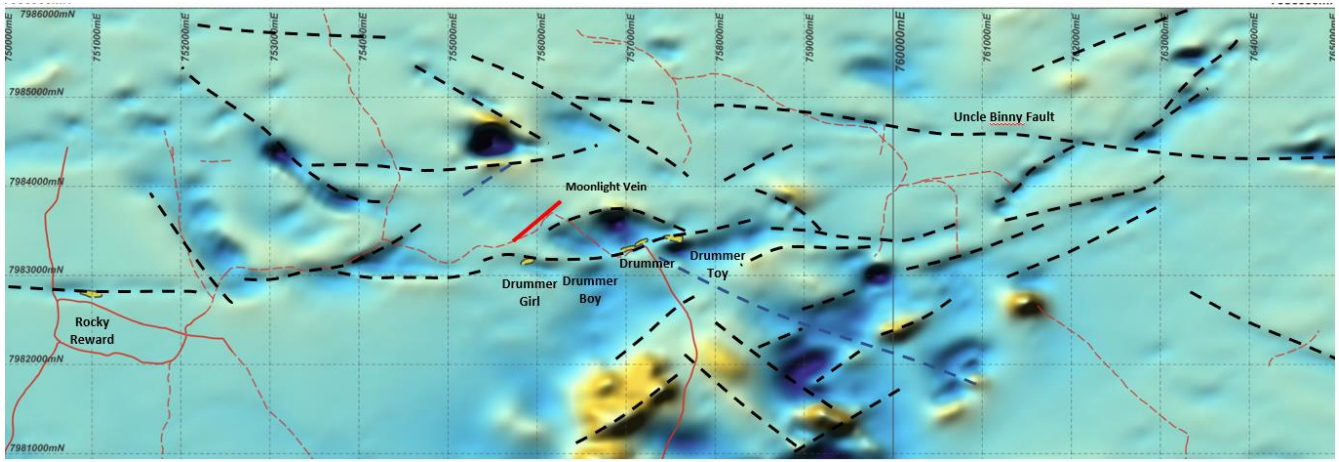


Fig. 1 Magnetic linears, eastern Drummer Fault

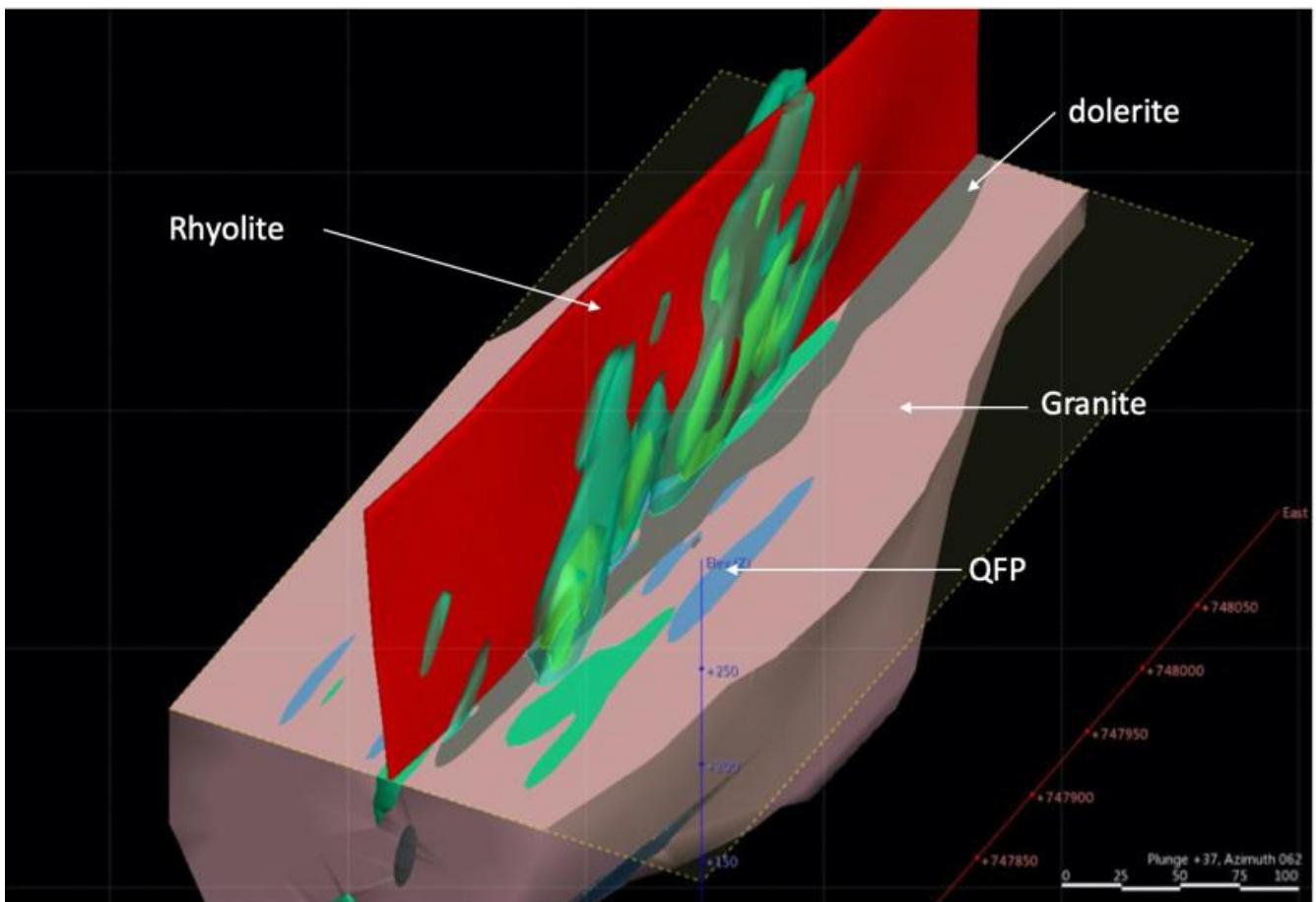


Fig 2 Logged Lithologies and Modeled U308 Grade Shells after Esso Minerals

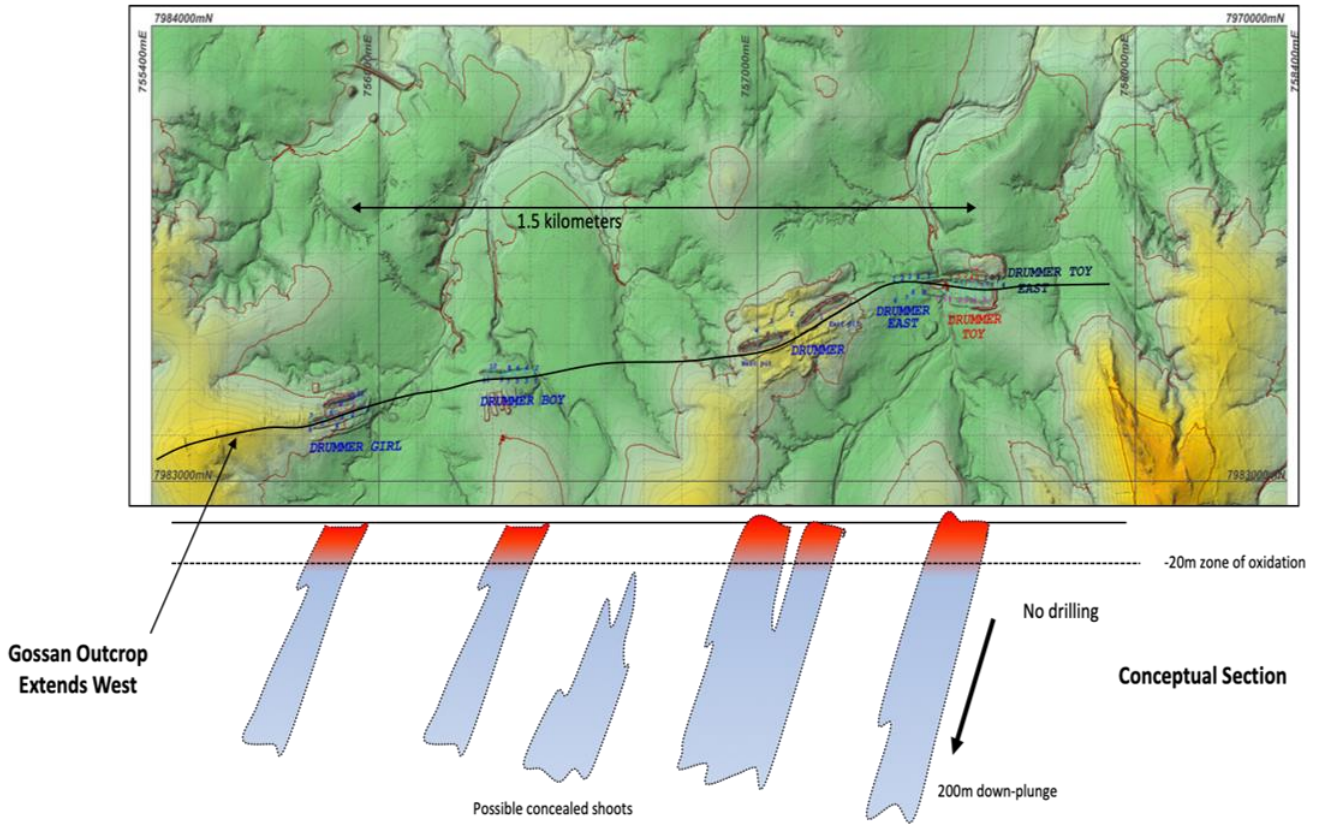


Fig 3 Gold exploration model (conceptual long section) eastern Drummer Fault

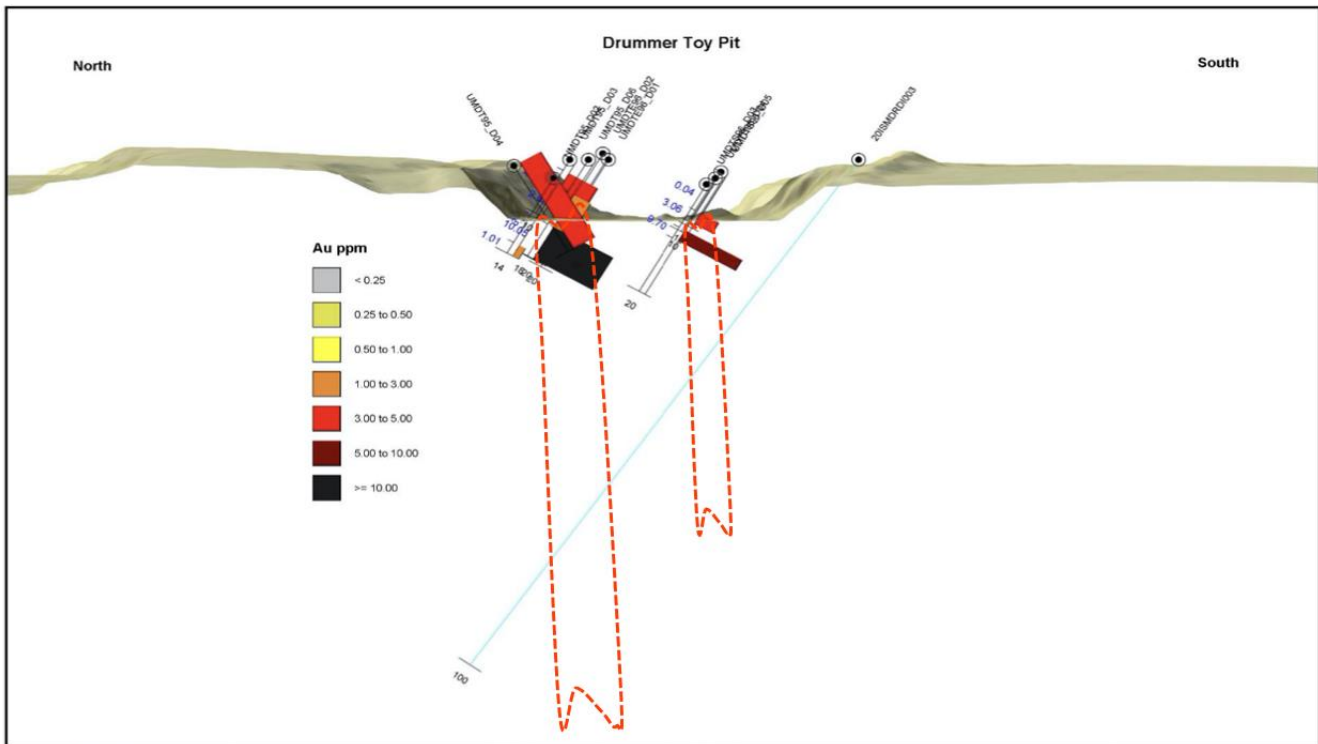


Fig 4 Gold exploration model (conceptual cross section) eastern Drummer Fault