ESSEX MINERALS INC.

Vancouver, British Columbia

ESSEX PROVIDES DRILLING UPDATE ON CUMBERLAND GOLD-SILVER JV PROPERTY

October 1, 2020 – Vancouver, British Columbia, Canada. – Essex Minerals Inc. (the "Company" or "Essex", TSX-V: ESX) is pleased to provide an update on Phase 1 drilling at its Cumberland joint venture project in Queensland, Australia.

Highlights

- The first ever Cumberland drilling program designed to provide regional-scale prospecting along the RBZ Structural Zone has been completed on time and on budget and is considered an exceptional success.

  - All six holes encountered favourable geology, structure and alteration which, combined with the discovery of high-grade gold and silver mineralization **(18.8 g/t gold and 160.6 g/t silver over 6.4m from 139.5m down hole)** in Hole 1 in the southern part of the zone, ranks the potential of the Cumberland property as very high for the discovery of a large epithermal gold and silver deposit.

  - The drilling confirms the initial geological interpretation that the RBZ Structural Zone is **a large 3.5km x 700m wide structural corridor** hosting Permo-Carboniferous age multi-phase, sub-volcanic intrusives associated with the Cumberland Range Caldera – **a collapsed caldera setting similar in geology to many of the world's major epithermal gold and gold-silver deposits** (see geological map which has been uploaded to the Essex Minerals website here https://essexminerals.com/cumberland/).

- Phase 1 drilling totalled 1,248.9m of HQ (63.5mm diameter) core. Assays for Holes 1 and 2 were reported on September 2, 2020. Assays are reported herein for Holes 3 and 4 and assays are pending on Holes 5 and 6 which were collared 2.3km and 3.5km NNW of the discovery Hole 1.

- **Hole 3 (20RBZ-DD003),** collared 200m SE of Hole 1 and drilled west to target the source of surface a silver in soil anomaly, intersected three sub-vertical zones (up to 12 m) of argillic and phyllic alteration associated with silicification and fine-grained sulfides**.** Assay results returned **strong arsenic (up to 4,570ppm) and anomalous gold and silver to 49.6 g/t Ag, with elevated base metals and antimony, consistent with alteration on the margins of an epithermal mineralizing system.**

- **Hole 4 (20RBZ-DD004),** collared 2.2km NNW of Hole 1 and drilled west to target the source of a surface gold and silver in soil anomaly, intersected three zones of quartz-sulfide mineralization at the contact of quartz-feldspar porphyry and sheared and altered quartz monzo-diorite. Assay results returned **strong arsenic (up to 1,505ppm) within a 7m intersection between 131m and 138m down hole (approximately 70m vertical) with anomalous gold (up to 0.94 g/t Au) and silver (up to 161 g/t Ag)** associated with a fault zone which can be traced on the surface for over 1 kilometre within the confines of the RBZ Structural Zone.

- Petrology studies are underway to better define the relationship between lithologies, structure and alteration. The first report received on a sample from within the high-grade mineralized zone in Hole 1 has demonstrated multi-phase quartz veining associated with strong phyllic alteration characterised by chromium muscovite. **The report concludes that the mineralization is also multi-phase**, starting with early arsenopyrite and pyrite followed by base metals and concluding with native gold and silver associated with late stage open space quartz and carbonate infill. **Free gold particles were generally in excess of 50 microns in size.**

- The rig will now move back to the southern RBZ zone to **commence the Phase 2 drill program in mid to late October to follow-up on the high-grade mineralization encountered in Hole 1**, and test for lateral repetitions of mineralisation as indicated from surface soil geochemistry and distribution of old workings.

Essex President and CEO Paul Loudon commented: "To hit favourable structures capable of hosting large epithermal deposits, including high-grade gold and silver in the southern part of the RBZ, in all six holes in the first ever regional-scale drilling program on this property is extremely exciting. Our technical team is now moving as quickly as possible to collate all information from the drilling and integrate it with the previous surface work, LiDAR structural interpretation and regional geophysics to best site the follow up drill hole locations."

He added "importantly, initial petrology studies indicate the high-grade gold in the discovery hole occurs as free gold particles not locked up in the sulfides, which has positive ramifications for potential recoveries, and confirmed that the gold and silver mineralisation is epithermal in character, conforming to the geological model."

Cumberland Property

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

The Cumberland property was staked in 2012 by private Australian group KNX Resources Ltd following a regional search for targets with the potential to host low sulfidation epithermal carbonate-base metal deposits similar to the 5 million-ounce Kidston deposit discovered by Placer Dome in the 1980s in a similar geological setting, 70km to the southeast.

The Company's independent consultant Dr. Greg Corbett in his review of the Cumberland project described the RBZ Structural Zone as a Priority A target worthy of immediate drilling as the geological setting is similar to Kidston.

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.

All rocks intersected in the Phase 1 drilling have been initially pervasively potassic altered and subsequentially overprinted by later stage phyllic and argillic alteration associated with silica flooding and veining over large intervals. Late stage carbonate infilling of fractures and veinlets is also evident.

Assays

The Company will continue to release assay results of the Phase 1 drill holes as they become available. Several photos of the drill core have been posted on the Company's website at www.essexminerals.com

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.

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.

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Cumberland Project Geological Model