

Essex Minerals Inc.

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Essex Minerals starts drilling at promising Cumberland project in Australia

Essex Minerals Inc (CVE:ESX) told investors on Wednesday that it has started an initial four-hole diamond drilling program at its Cumberland property, 30 kilometres southwest of Georgetown, in North Queensland in Australia.

The Cumberland property has four granted exploration permits covering 25,024 hectares, 70 kilometres northwest of the former 3.5-million-ounce Kidston gold mine.

Essex Minerals said the property has the potential to "host high-grade epithermal gold-silver mineralization," and is currently held 80% by KNX and 20% by AMD Resources Limited.

READ: Essex Minerals inks gold stream joint venture agreement with Zola Minerals

Under the terms of the venture, Essex has the right to an initial first-stage earn-in of 50% of KNX's interest in three properties — Cumberland, Compass Creek and Mt. Turner — by spending \$1 million on exploration by May 2021.

At the end of the first stage earn-in, Essex may elect to acquire all the shares in KNX, or earn an additional 25% interest in Mt. Turner and 20% interest in Cumberland and Compass Creek by financing a further \$3 million on exploration.

Since signing the agreement with KNX in May, Essex said it has financed an "infill soil sampling program, and established predrilling infrastructure and logistics at Cumberland," flown a light detection and ranging program at Mt. Turner, and lodged an application for an additional exploration licence adjoining to the west of the Mt. Turner licence.

The Cumberland property contains six prospects which show characteristics of polymetallic, low-sulphidation, epithermal mineralization. Essex said that from within these prospects, the initial four-hole diamond drilling program has started on the RBZ prospect, a major 2.5-kilometre, northwest-trending structural corridor "dislocated by conjugate northeast structures, which have created a number of dilation centres."

"The centres have then been overprinted with surface mineralization consisting of hydrothermal breccias associated with multiphase quartz-adularia silver and gold mineralization. Soil and rock chip sampling by KNX, and infill soil sampling financed by Essex have "outlined continuous gold and silver anomalies, which spatially correspond to these dilation zones," it added.

Rock chip sampling at 50-metre intervals conducted earlier by KNX at RBZ North averaged 2.1 grams per tonne (g/t) gold and 379 g/t tonne silver. This zone has been measured at 40 metres wide in the thickest zone, narrowing to 1.5 metres in the south and can be traced on the surface for 600 metres.

Price: 0.32

Market Cap: \$9.26 m

1 Year Share Price Graph



October 2019 July 2020 October 2020

Share Information

Code: ESX

Listing: TSX-V

52 week High Low
0.92 0.1

Sector: Mining

Website: essexminerals.com

Company Synopsis:

Utilizing management's contacts and professional network from more than 35 years of experience in mining corporate finance structuring and arrangement, Essex Minerals is a mineral exploration and development company focused on opportunities where it can adopt an option earn-in and joint venture model, with a particular emphasis gold projects in Tier 1 jurisdictions.

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Farther south, "high-grade surface gold and silver up to 5.48 g/t Au and 12,650 g/t Ag have been sampled at RBZ South," noted the company.

The initial four holes totaling 800 meters are designed to test RBZ's potential to "host economic mineralization," and provide "important structural, lithological and alteration information" for the design of any follow-up drilling.

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