



Zephyr Minerals Ltd.

Suite 1301, 1959 Upper Water St. · Purdy's Wharf Tower 1 · Halifax · Nova Scotia · B3J 3N2 · Canada

Trading Symbol: TSX-V: ZFR OTC: ZPHYF
Shares Outstanding: 52,845,977

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ZEPHYR ANNOUNCES PRIVATE PLACEMENT

February 18, 2020 HALIFAX, NOVA SCOTIA – Zephyr Minerals Ltd. (“Zephyr” or the “Company”) (TSX-V: ZFR) (OTC: ZPHYF), is pleased to announce it intends to issue, by way of a non-brokered private placement, up to 10,000,000 units at a price of \$0.21 per unit for gross proceeds of up to \$2,100,000 (“Private Placement”). Each unit consists of one common share and one-half warrant of the Company (“Unit”). Every two one-half common share purchase warrants of the Company entitles the holder to acquire one common share of the Company for \$0.35 for a period of eighteen months from the closing date.

The expiry date of the warrants may be accelerated by Zephyr at any time if the volume-weighted average trading price of the common shares is greater than or equal to \$0.70 for any 20 consecutive trading days. If this occurs, the Company may accelerate the expiry date of the warrants by issuing a press release announcing the reduced warrant term whereupon the warrants will expire on the 30th calendar day after the date of such press release.

Net proceeds from the funds raised will be used to advance the Dawson-Green Mountain Project in Colorado, USA, and for general working capital purposes. In connection with the offering, a finder's fee may be paid consisting of a cash commission equal to 7% of the gross proceeds raised under the offering and that number of non-transferable finder's fee warrants as is equal to 7% of the number of shares. Each finder's fee warrant will be exercisable into one common share of the Company at \$0.35 per share, for a period of eighteen months from the closing date. The expiry date of the finder's warrants are also subject to the same acceleration clause as the Unit warrants.

The Private Placement is scheduled to close on or before February 25, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval and acceptance by the TSX Venture Exchange. All securities to be issued pursuant to the Private Placement will be subject to a four month hold period.

About Zephyr Minerals Ltd.

Zephyr Minerals Ltd. continues to advance its 100% owned high grade Dawson-Green Mountain Project in Colorado, USA. After expanding its land package to 1,385 hectares (3,430 acres) the Company plans to explore the entire 12.2 km (7.5 mi) mineralized trend using the Broken Hill Type deposit as an exploration model.

For further information please contact:

David H. Felderhof, Executive VP & Director
Zephyr Minerals Ltd.
T: 902 446-4189
F: 866 941-4715

To be included in the Zephyr email database for Company updates please contact info@zephyrminerals.com, or visit our website www.zephyrminerals.com for more information.

CAUTIONARY STATEMENT:

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This press release contains forward-looking statements. More particularly, this press release contains statements concerning the use of funds from the private placement.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by the Company, including, with respect to the use of funds from the private placement, expectations and assumptions concerning timing of receipt of required regulatory approvals and third party consents and the satisfaction of other conditions to the completion of the exploration work on the Dawson-Green Mountain Property.

The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.