



Zephyr Minerals Ltd

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Trading Symbol: TSX-V: ZFR
Shares Outstanding: 22,580,628

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NEWS RELEASE

ZEPHYR MINERALS ANNOUNCES NON-BROKERED PRIVATE PLACEMENT

January 15, 2015 HALIFAX, NOVA SCOTIA -- Zephyr Minerals Ltd. ("Zephyr" or the "Company") (TSX-V: ZFR), is pleased to announce that it will undertake a non-brokered private placement to sell up to 1,666,667 units of the Company at a price of \$0.15 per unit for gross proceeds of up to \$250,000.

Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at an exercise price of \$0.20 per common share at any time on or before the 12-month anniversary of the closing of the offering.

In connection with the offering, a finder's fee may be paid consisting of a cash commission equal to 8% of the gross proceeds raised under the offering and that number of non-transferable finder's fee warrants as is equal to 8% of the number of shares. Each finder's fee warrant will be exercisable into one common share of the Company at \$0.20 per share, for a period of 12 months from the closing date. Net proceeds from the funds raised will be used to advance the Dawson Gold Project ("Dawson") in Colorado, USA, and for general working capital purposes. All shares and warrants are subject to a four-month hold period.

Closing of the non-brokered offering is anticipated to occur on or about February 5, 2015, and is subject to receipt of applicable regulatory approvals, including approval of the TSX Venture Exchange.

Update

In the fall of 2014, Zephyr announced (News Release No. 06-14) the commencement of a metallurgical test work program. The purpose of the test work, in part, is to develop a precious metal recovery process to be used for equipment sizing and process plant design at Dawson. The results were expected by the end of 2014; however, due to unforeseen delays with the metallurgical lab, results are now expected by the end of February. Previous metallurgical studies on the Dawson Zone have demonstrated that approximately 90% of the gold is recoverable though a combination of gravity and froth floatation.

Ground and surface water monitoring is ongoing and expected to continue until the end of the year in order to comply with state permitting requirements.

About Zephyr Minerals Ltd.

Zephyr Minerals Ltd. is a gold exploration and development company focused on advancing its flagship Dawson Gold Project ("Dawson Project") in Colorado, USA. Dawson is an advanced stage high-grade gold property with excellent blue sky potential. In the fall of 2013, Zephyr announced filing on SEDAR a compliant technical report, prepared in accordance with National Instrument -- Standards of Disclosure for Mineral Projects ("NI 43-101") on Dawson. Zephyr

intends to commence base line environmental studies as part of its efforts to advance the Dawson Project with the ultimate goal of production, subject in part to a positive economic study.

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