



# Zephyr Minerals Ltd

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Shares Outstanding: 46,332,620

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## NEWS RELEASE

### ZEPHYR MINERALS ANNOUNCES INITIAL DRILL RESULTS AT DAWSON

July 17, 2018 HALIFAX, NOVA SCOTIA – Zephyr Minerals Ltd. (“**Zephyr**” or the “Company”) (TSX-V: ZFR, OTC: ZPHYF) wishes to report initial assay results for the diamond drill program on the Dawson Gold Project (“Dawson Project”) in Colorado, USA. The Company has received assay results for the first four holes of the drill program. Highlights include drill hole DA-18-14 with three significant gold intercepts. A 0.9 meter intercept grading 5.3 g/t from 210.8 to 211.7 meters, a 1.8 meter intercept grading 5.2 g/t from 217.0 to 218.8 meters and a 0.9 meters intercept grading 9.2 g/t from 224.6 to 225.5 meters.

Three of the holes DA-18-12, DA-18-13 and DA-18-14 were drilled on the periphery of the current resources in the Dawson Zone. Drill holes DA-18-12 and DA-18-13 were drilled in the extreme northeast area with the objective of expanding the resources further in this direction and closer to the surface. These holes were unsuccessful. Intercepting low grade gold values suggests the high grade gold mineralization is deeper in this area. DA-18-14 was drilled in the extreme northwest part of the Dawson Zone. The three higher grade gold intervals in this area suggests that the deposit is open to the west. Follow up drilling is warranted in this area.

CK-18-08 was drilled in the Copper King Zone, approximately 200 meters west of the Dawson Zone and down dip from two previous shallow holes that intercepted copper with low grade gold mineralization. The anticipated higher grade gold mineralization was not present with assay results similar to the two historic shallow holes. The Copper King Zone and the Dawson Zone are separated by a major northeast trending fault structure with the relative movement between the two zones still to be determined. Further drilling is warranted in the relatively unexplored central portion of the Copper King Zone.

Drilling is continuing on the Dawson Project with completion of this phase of the program anticipated in early August. The current drill program is expected to total 15 drill holes totaling approximately 1,800 meters. Assays are expected throughout the summer and into early fall.

The objective of the current drill program is to expand the gold resources near the current resources in the Dawson Zone as well as at the Windy Gulch Zone and Windy Point Zone. In addition, these drill holes will continue to contribute to a better understanding of the geology of the deposit as well as the mineralizing controls for the gold mineralization, which is expected to enhance drill hole targeting in the next phase of drilling.

The next phase of drilling will also target the large Sentinel Zone located contiguous to and immediately east of the Dawson Zone. The Sentinel Zone stretches for

approximately 1,600 meters and is larger than the Dawson, Copper King, Windy Gulch and Windy Point Zones combined. This area is considered highly prospective, hosting a strong magnetic geophysical anomaly 1,100 meters in length with characteristics that are virtually identical to that associated with the Dawson Zone. The Sentinel Zone prospectivity is enhanced by the recent discovery of surface gossans with similar characteristics to those at the Dawson Zone. The Sentinel Zone has never been drilled and has the potential to significantly expand the gold resource of the project.

Loren Komperdo, President and CEO, stated “Notwithstanding that we were not successful in expanding the uppermost, eastern margin of the Dawson Zone gold resource, the Dawson Zone remains open in the east down dip from DA-18-12 and DA-18-13 as well as to the west and at depth. There is a lot of drilling to be done on this large project and low grade holes are part of the mix when drilling and delineating boundaries on gold zones. The Dawson Project has the size to visualize million ounce potential.”

#### **Zephyr Minerals Core Handling Protocols**

Standard sampling procedures were followed whereby HQ core was sampled and cut using a diamond saw. One-quarter of the core was placed in plastic sample bags and three-quarters were left in the core box for reference. The sample weight delivered to the laboratory varied from 1.0 to 2.2 kg. Analytical standards, duplicates, and blanks were inserted at approximately every ten sample intervals. The core samples were shipped by Fedex Ltd., Canon City, Colorado to ALS Global in Elko, Nevada for sample preparation and gold analysis.

All samples were assayed using fire assay with 50 gram sample size and a ICP-AES finish.

References to resources pertain to the National Instrument 43-101 Technical Report for the Dawson Property, Colorado, USA, and effective March 21, 2018, authored by Danny Tolmer, P.Eng., Golder Associates Ltd., Brian Thomas, P.Geo., Golder Associates Ltd. Mark Graves, P.Geo., vice president of exploration of the Company, Michael Cullen, P.Geo., Mercator Geological Services Limited, Matt Bolu, P.Eng., BOMENCO Minerals Engineering & Consulting Inc. Doug Roy, P.Eng., MineTech International Ltd., and Brett Byler, PE, AMEC Foster Wheeler.

Mr. Mark Graves, P.Geo. registered with the Association of Professional Geoscientists of Nova Scotia (APGNS), and vice president of exploration of the Company, has reviewed and approved the scientific and technical information in this news release.

#### **About Zephyr Minerals Ltd.**

Zephyr Minerals Ltd. continues to advance it's 100% owned high grade Dawson Gold Project in Colorado, USA. After completing a positive PEA, Zephyr is continuing with permitting and additional engineering, with a near term focus on exploration and resource expansion.

**For further information:**

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*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 a 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 Gold 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.*