



Zephyr Minerals Ltd

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NEWS RELEASE

ZEPHYR ANNOUNCES OPERATIONAL UPDATE Additional Drill Targets Identified at Keezhik Lake

December 04, 2012, Halifax, Nova Scotia - Zephyr Minerals Ltd. ("Zephyr" or the "Company") (TSX-V: ZFR) is pleased to announce an operational update for its Keezhik Lake and Dawson Gold properties.

Keezhik Lake, Ontario

Zephyr had a geological exploration crew active on the Keezhik Lake property in October. The main objectives of the field program were to further outline step-out potential drill targets from historic drill holes KL08-18 (22.0 g/t over 1.5m) and KL10-19 (6.04 grams per tonne (g/t) over 1.5m, 1.32 g/t over 1.0m, 3.10 g/t over 0.5m and 4.69g/t over 1.0m), to verify historic anomalous humus survey gold values, and to compare gold results obtained from humus with those from b-horizon soil samples. The geochemical survey was unsuccessful in comparing results obtained from humus sampling versus b-horizon sampling due to the thick sphagnum mosses and boggy ground which extensively mask b-horizon soils. Where soil samples were successfully collected, they were highly leached and sandy. Nonetheless the geochemical survey was successful in outlining potential step-out drill targets to the south and southwest KL10-19.

Despite poor outcrop exposure in the surveyed area, 2 of 7 rock samples collected assayed 148 g/t and 5.7 g/t gold. The 148 g/t gold value was from a 3 cm wide quartz vein with no visible gold mineralization hosted in medium grained quartz-feldspar porphyry, near the north shore of the Keezhik peninsula, approximately 1,000 metres north of hole KL10-19. The 5.7 g/t gold value was a grab sample obtained from a fine grained quartz feldspar porphyry that contained irregular stockwork (less than 1 cm wide quartz veins), with no visible gold mineralization, located 280 metres southeast of DDH KL10-19.

The rock samples were crushed and pulverized to 95% passing 105 micron mesh. Samples were split to 50 g and analyzed by Fire Assay-AA finish. The two samples that exceeded the upper limit of 3,000 ppb were subsequently reanalyzed by Fire Assay-Gravimetric finish.

Dawson Project, Colorado

Zephyr continues to work on data review and compilation since purchasing the Dawson Gold property on October 31. The next step will be to complete 3-D geological models of the previously outlined resources at the Dawson Main Zone, Windy Gulch, and Windy

Point. These 3-D models are expected to be complete early in the new year. When the models are completed we will have better understanding of the geology and structure and from this, formulate a go forward exploration and development plan. It is anticipated this will include a diamond drill program in early spring 2013.

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To be included in the Zephyr email database for company updates please contact info@zephyrminerals.com or visit our website zephyrminerals.com.

This press release was prepared under the supervision of Mr. Peter Webster, P.Geo., President of Mercator Geological Services who is a Qualified Person as defined under National Instrument 43-101. Mr. Webster has reviewed the scientific and technical information in this news release.

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