



Zephyr Minerals Ltd.

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ZEPHYR SAMPLES 22.2 G/T GOLD OVER 6.4 METERS

September 7 2017 HALIFAX, NOVA SCOTIA – Zephyr Minerals Ltd. (“Zephyr” or the “Company”) (TSX-V: ZFR) is pleased to announce assay results from trenching at the Windy Gulch and Windy Point areas within the Company’s Dawson Gold Project in Colorado. Trenching at Windy Gulch returned the best results to date from the property including an interval of 6.4 m of 22.2 g/t gold, including 1.8 m of 63.0 g/t gold. The trenching took place during the course of a road building program to support a planned diamond drill program. Zephyr is targeting these areas in the western region of the property with the objective of identifying new gold mineralized shoots similar to those in the Dawson Main Zone in the east in an approximately 2.6 km long east-west trending shear zone. Average widths of the gold mineralized shoots are in the order of 3.5 to 4 meters.

Windy Gulch – The new road cut sampled occurs between two previously sampled road cuts which show very attractive gold grades over wide intervals (see News Release dated May 30, 2013). The new road cut revealed an interval of 6.4 m (estimated 5.8 m true thickness) grading 22.2 g/t gold, including 1.8 m of 63.0 g/t gold. These results support the continuity of gold mineralization in this area. The new drill pad will enable infill drilling as well as testing targets that are open at depth with potential of building additional resources at this location. The deepest hole from the 2016 drill program intersected 4.6 m of 13.8 g/t gold from 39.9 to 44.5 m (see News Release dated September 27, 2016).

Table1: Surface Sampling Windy Gulch 2017 Road Cut

	From (m)	To (m)	Interval* (m)	Gold (g/t) Cut**	Gold (g/t)
	1.8	33.5	31.7	3.7	5.8
including	1.8	4.6	2.7	4.9	4.9
	9.8	15.2	5.5	2.2	2.2
	17.1	19.8	2.7	3.2	3.2
	26.2	28.0	1.8	26.7	63.0
including	26.2	27.1	0.9	40.0	112.6
and	26.2	32.6	6.4	11.8	22.2

*True widths are estimated 90% of reported widths

**40 g/t topcut

Windy Point – A total of four access roads were geologically mapped and sampled in areas characterized by favourable geology and in the area of a reconnaissance drill program completed by a previous operator, Uranerz USA Ltd., in 1990. One of the roads (WP4) partially uncovered a gold mineralized section interpreted to be the western equivalent of the principal gold shoots at Windy Gulch. Reconnaissance channel

sampling consisting of 3 foot (0.91 m) channel samples (75% of true width) at 3 foot intervals (0.91 m) along trend on this zone yielded the following results:

Table 2: Surface Sampling Road WP 4

Sample	Interval (m)	Gold (g/t)
WP4-72	0.91	4.8
WP4-75	0.91	1.6
WP4-78	0.91	9.8
WP4-81	0.91	16.5

All of the above sample locations are open at both ends and will require further excavating and sampling to determine ultimate thicknesses of these gold mineralized intervals. Additional sampling along road WP4 which obliquely cut the zone of interest for 45.4 meters yielded results ranging predominantly from anomalous to 1.66 g/t gold and is interpreted to represent a low grade halo around a higher grade core.

Channel sampling on road WP1 is located 11 meters north of WP4 and at an elevation of 5 meters below that of WP4. This is interpreted to be equivalent to gold mineralization identified in a discrete zone in the footwall of the principal gold mineralized shoot at Windy Gulch. The gold zone is interpreted to be east of the sampling on WP1 and covered by overburden. Channel sampling on road WP2 is located 15 meters south of WP4 and at an elevation 10 meters below that of WP4. WP4 intercepted two zones containing 4.8 g/t gold and 3.7 g/t gold each over 0.9 meters on the extreme east side of WP2. This gold zone is interpreted to be equivalent to the north gold zone in the footwall of the principal gold zone at Windy Gulch.

Channel sampling on road WP3, 80 meters south of WP4, and at an elevation of 40 meters above WP4; was on the quartz-sulphide hydrothermolite zone which occurs in the hanging wall of the principal gold zone at the south contact of the shear zone with the host granite. The quartz-sulphide hydrothermolite zone at the Dawson Project typically carries low gold values but carries copper values ranging from anomalous to 4.1% over 3.0 m (10 ft.). The channel sample at Windy Point assays 2.2% copper over 2.7 m (9 ft.).

Zephyr is now in a position to undertake a drill program based on these results with the objective of expanding the gold resource for the property. The Company anticipates the drill program to commence in early Q4.

Loren Komperdo stated, "Geological mapping and sampling at Windy Point suggest the same structural style of gold mineralization found at Windy Gulch and Dawson. I am confident that a comprehensive drilling campaign at Windy Point following up on the surface sampling results and successful drill holes completed by Uranerz in 1990 (News Release dated June 15, 2017) will generate a greater understanding of the deposit and ultimately boost gold resources at the Dawson Gold project. In addition, the understanding of the geology at Windy Point will direct the way in exploring the region to the west which has very little exploration and demonstrates the opportunity for resource expansion as well as further blue sky potential".

Zephyr Minerals Channel Sampling Protocols

Standard sampling procedures were followed whereby 3 foot channel samples were chipped from trench walls using a rock pick and collected in 8 mil polyethylene bags. Sample bags were closed using plastic cable ties. The sample weight delivered to the laboratory varied from 2.0 to 3.0 kg. An analytical standard, replicate or blank was inserted at 10 sample intervals. The samples were shipped in sealed 5 gal. plastic buckets by Fedex Ltd., Canon City, CO to a Bureau Veritas holding facility in Blaine, WS and then to their laboratory in Vancouver, BC.

All samples were prepared by the Bureau Veritas PRP70-1KG method. Samples were analyzed using their FA430 fire assay for gold followed by the FA652-1KG method of screen metallic for all samples that previously assayed over 2 ppm. The samples were also analyzed the 59 multi-element MA250 method. General details of these analytical procedures can be found on the Bureau Veritas website.

About Zephyr Minerals Ltd.

Zephyr Minerals Ltd. is a gold exploration and development company focused on advancing its flagship Dawson Gold Project in Colorado, USA. After completing a positive PEA, Zephyr is continuing to advance the project through permitting, additional exploration as well as further engineering work with a plan to expand the resource and develop a high grade, low cost underground gold mine.

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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.

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

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 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.