



Zephyr Minerals Ltd.

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Trading Symbol: TSX-V: ZFR OTC:ZPHYF
Shares Outstanding: 35,034,761

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ZEPHYR ANNOUNCES PRIVATE PLACEMENT

For Immediate Release

May 17, 2017 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 3,571,429 units at a price of \$0.28 per unit for gross proceeds of up to \$1,000,000 (“Private Placement”). Each unit will consist of one common share of the Company and one-half of one common share purchase warrant, with each whole common share purchase warrant entitling the holder to purchase one common share of the Company at a price of \$0.42 for a 24-month period.

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. 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 \$0.42 per share, for a period of 24 months from the closing date.

The Private Placement is scheduled to close on or before June 16, 2017 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. 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 develop a high grade, low cost underground gold mine.

For further information please contact:

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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.

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.

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 and expectations and assumptions concerning timing of receipt of required regulatory approvals.