



Zephyr Minerals Ltd.

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Trading Symbol: TSX-V: ZFR OTC:ZPHYF
Shares Outstanding: 37,164,761

News Release No. 07-17
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ZEPHYR CLOSES FIRST TRANCHE PRIVATE PLACEMENT

May 29, 2017 HALIFAX, NOVA SCOTIA – Zephyr Minerals Ltd. (“**Zephyr**” or the “Company”) (TSX-V: ZFR) (OTC: ZPHYF), is pleased to announce the closing of a tranche of the previously announced private placement and that it issued 2,130,000 units at a price of \$0.28 per unit for aggregate gross proceeds of \$594,400. 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 \$0.42 per common share at any time on or before May 29, 2019. Several additional parties have expressed interest in participating in the private placement and the Company may consider closing a second tranche of up to 1,448,572 Units for additional gross proceeds of up to \$405,600.

OakRun Precious Metals Fund Ltd. (“OakRun”), subscribed for 1,800,000 units, resulting in an ownership of 11,014,284 shares or 29.6% of the Company. Mr. Scott Rhodenizer is Investment Manager for OakRun, and a Director of Zephyr. Certain additional officers and directors of the Company subscribed for an aggregate of 100,000 units.

All securities issued in connection with the first tranche of the private placement are subject to a four-month hold period that expires on September 30, 2017. Net proceeds from the funds raised are expected to be used to advance the Dawson Gold Project, and for general working capital purposes. The private placement remains subject to final approval of the TSX Venture Exchange.

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.

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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. 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.