Zephyr identifies additional gold targets at Sentinel; drill hole DA-18-16 assays 17.6 G/T gold over 3.4 M

Trading Symbol: TSX-V: ZFR OTC: ZPHYF
Shares Outstanding: 46,332,620

HALIFAX, Oct. 23, 2018 /CNW/ - Zephyr Minerals Ltd. ("**Zephyr**" or the "**Corporation**") (TSXV: ZFR) is pleased to report that geological mapping at the Sentinel Zone on its Dawson Gold Project in Colorado has resulted in the discovery of two new mineralized showings. The first is at a previously unknown mine working where a 30 to 50 foot deep timbered shaft was discovered. This showing called the "Shaft Prospect" is comprised of siliceous biotite aplite, sericitic, siliceous leucogranite and gossanous rocks. The second is a newly discovered, gossanous outcrop called the "Northeast Prospect". These rock types are host to gold mineralization on the contiguous Dawson Zone to the west.

The Shaft Prospect is located approximately 600 meters (2,000 feet) east-southeast of the Dawson Zone. The timbered shaft and pits in this area are newly discovered and have never had any modern geological exploration or drilling completed. Initial sampling in this area returned 20 to 50 parts per billion ("ppb") gold, 0.15 to 0.19% copper, and up to 0.14% zinc. These grades are considered prospective because they are found both in the gossanous and biotite aplite rocks, and are similar in grade to the gold host rocks up-dip from the high grade gold mineralization in the Dawson Zone. This suggests the gold mineralizing system found in the Dawson Zone was also active in the Sentinel Zone.

The Northeast Prospect is located approximately 800 meters (2,650 feet) north east of the Dawson Zone. A single sample collected from the gossan outcrop returned 344 ppb gold and 0.18% copper. Geological mapping, trenching and sampling is required to further assess the gold potential of this new, highly prospective discovery.

The Sentinel Zone has very little rock outcrop with over 90% of the surface covered with overburden. As seen at the Windy Gulch Zone, the high grade gold zones can often be recessive (soft rock) and as such tend to occupy lower areas which are selectively covered with overburden. In order to explore the overburdened areas at the Sentinel Zone, Zephyr completed a reconnaissance soil survey program to determine if this would be an effective exploration tool. The reconnaissance soil survey identified numerous anomalous soil areas that were elevated in gold, copper and silver, verifying the effectiveness of soil geochem surveying at Sentinel. The next phase of exploration will include a comprehensive soil geochem survey over the Sentinel Zone. The gold and copper anomalies generated from this program will assist in selecting drill targets over areas that lack bedrock exposure.

Zephyr has completed the current drill program. The final drill hole was drilled to intersect the high grade gold zone at depth on the east side of the Windy Gulch Zone. Assay results for this drill hole are expected in early November. Three short drill holes planned for the Windy Point Zone, immediately west of Windy Gulch, were postponed to the next drill program. This was due to unsatisfactory drilling performance of the small drill rig that completed the Windy Gulch hole and was to drill the three holes at Windy Point.

Loren Komperdo, President & CEO stated, "The continuation of the magnetic low anomaly from the Dawson Zone coupled with the gossan and new prospect discoveries in the Sentinel Zone is an exciting development and significantly enhances the gold discovery potential in this large undrilled section of the property. Additional detailed mapping, trenching, sampling and soil geochem surveying will be instrumental in generating high quality drill targets which we expect to drill in the new year."

Zephyr had been awaiting the screen metallic fire assay results for diamond drill hole DA-18-16. These results are provided below along with the original fire assays. The original fire assay results were news released on September 10, 2018 (see news release #11-18). The increase in overall grade indicated by the more comprehensive assaying utilizing the screen metallic procedure points to coarser gold in the higher grade intercepts which may not report in the standard fire assay. It also suggests that historical assays in high grade zones may be understated at the Dawson Property.

Drill Hole ID	From (m)	To (m)	Intercept* (m)	Gold (g/t) (Fire Assay)	Gold (g/t) (Screen Metallic)
DA-18-16	183.3	184.9	1.6	3.3	**4.0**
and	192.0	193.2	1.2	2.8	**2.8**
and	198.4	201.8	3.4	15.7	**17.6**
including	198.4	200.2	1.8	26.2	**29.3**
and	220.7	222.5	1.8	10.2	**9.0**
including	220.7	221.6	0.9	19.7	**17.4**
and	229.2	234.7	5.5	6.3	**7.6**
including	233.8	234.7	0.9	22.6	**29.4**

** Estimated true width of intercepts is 65%*

Drill Hole ID	Easting*	Northing*	Azimuth	Dip	Elevation (m)	Hole Depth (m)
DA-18-16	3057779.6	1202851.7	330°	-88°	2,067.8	271.7

** Note: Easting and Northing in UTM NAD 83 Colorado State Plane in feet.*

Compilation of geological data at Zephyr's new Green Mountain Property (see press release #10-18, July 25, 2018) continues. Once the data is collected, compiled and reviewed a geological exploration program will be formulated. Exploration is expected to begin in the spring of 2019.

Zephyr Minerals Core Handling Protocols

Standard sampling procedures were followed whereby HQ core was cut using a diamond saw and sampled. 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 2.1 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 Reno and Elko, Nevada for sample preparation and gold analysis. All samples were assayed using fire assay with Screen Fire Assay Method (Screen Metallics Gold, Double Minus) for all samples over 2 ppm.

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.

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.

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.

SOURCE Zephyr Minerals Ltd.

View original content: http://www.newswire.ca/en/releases/archive/October2018/23/c5698.html

%SEDAR: 00030509E

For further information: Loren Komperdo, President & CEO or Will Felderhof, Executive Chairman, Zephyr Minerals Ltd., T: 902 446-4189, F: 866 941-4715

CO: Zephyr Minerals Ltd.

CNW 08:30e 23-OCT-18