



NEWS RELEASE

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TSXV: ZFR; OTC: ZPHYF

ZEPHYR ANNOUNCES PRIVATE PLACEMENT

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Halifax, Nova Scotia – January 21, 2026 - Zephyr Minerals Ltd. (TSXV:ZFR) (OTC:ZPHYF) ("Zephyr" or the "Company") is pleased to announce that it intends to issue, by way of a non-brokered private placement financing, up to 4,000,000 units (each, a "Unit") at a price of \$0.05 per Unit, for gross proceeds of up to \$200,000 (the "Private Placement"). Each Unit will consist of one common share (each, a "Share") and one common share purchase warrant (each, a "Warrant") of the Company. Each Warrant will entitle the holder to acquire one additional Share at a price of \$0.10 per Share for a period of two (2) years from the date of issuance.

Zephyr has successfully completed the first quarter of a comprehensive groundwater monitoring and analytical program at and surrounding the Dawson Gold deposit. The Company remains on schedule to complete the five-quarter program by the end of 2026. Upon receipt of all analytical data, the Company intends to resubmit a mining permit application to the Colorado Division of Reclamation, Mining and Safety for its 100%-controlled Dawson Gold property in Colorado, USA.

The Zimbabwean Government has recently appointed a new Minister of Mines. Loren Komperdo, President and CEO, stated, "The appointment is cause for cautious optimism regarding the granting of two Exclusive Prospecting Orders, covering 124,000 hectares, for which applications were submitted in 2021."

Proceeds received from the Private Placement will be used for general working capital purposes and to advance permitting on the Dawson Gold project. It is anticipated that certain insiders of the Company will participate in the Private Placement.

Finder's fees, consisting of cash and Warrants issued on the same terms as noted above, may be paid to qualified parties. All securities issued in connection with the Private Placement will be subject to a statutory hold period of four months and one day. The Private Placement remains subject to customary closing conditions, including approval of the TSX Venture Exchange.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Dawson Gold Property

The Dawson Gold Deposit hosts an Inferred Mineral Resource¹ prepared in accordance with National Instrument 43-101 ("NI 43-101") of 343,000 tonnes grading 12.11 g/t for 133,500 ounces of gold at a 5 g/t cut-off with no top cut, and 116,300 ounces of gold at 10.55 g/t with a 40 g/t top cut. The estimate has an effective date of July 19, 2013. No updates to the resource estimate have been made to incorporate the results from drilling programs completed between 2017 and 2020. The deposit is open at depth, with exploration potential to the east and west. A Preliminary Economic Assessment² ("PEA") was prepared in accordance with NI 43-101 with an effective date

of March 21, 2017. Utilizing a gold price of \$1,250/oz, the PEA showed robust economics with an all-in sustaining cost (“**AISC**”) per ounce of \$692. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Given the substantial increase in the gold price since 2017, the attractiveness of the Dawson project has been significantly enhanced. The potential to expand resources is excellent at depth on the Dawson Gold Deposit, along strike to the east in the 700-metre-long Sentinel zone, which has not been drill tested, and through follow-up drilling of promising targets in the Windy Gulch and Windy Point zones to the west. The Dawson project features key attributes, including a small footprint associated with the proposed underground mine, ownership or control of all necessary lands by Zephyr, a climate that supports year-round operations, and nearby infrastructure and industrial support.

About Zephyr Minerals Ltd.

Zephyr Minerals is mission focused on obtaining a mining permit for its 100% owned Dawson Gold property in Colorado. The Company continues to wait for the Zimbabwean Government to grant two Exclusive Prospecting Orders (“**EPO**”), covering 124,000 hectares applied for in 2021. The areas covered by the EPO applications are prospective for gold and lithium

Notes

¹ The Report is titled Resource Estimate Technical Report for the Dawson Property Fremont County, Colorado, USA, dated September 6, 2013, and was prepared for Zephyr by Andrew Hilchey, P.Geo., Mercator Geological Services Limited, Isobel Wolfson, M.Sc., P.Geo, and Mark Graves, P.Geo..

² The report is entitled “National Instrument 43-101 Technical Report for the Dawson Property, Colorado, USA”, effective March 21, 2017 (the “Technical Report”). The Technical Report was prepared by independent engineering firm, Golder Associates Ltd., with input from a number of other specialized and experienced consulting firms, and is in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects. This PEA is preliminary in nature and includes inferred mineral resources that are too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There has been insufficient drilling to define the inferred resources as indicated or measured mineral resource; however, it is reasonable to expect that the inferred mineral resources could be upgraded to indicated and possibly measured resources with continued drilling. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future.

Qualified Person

Brian Arkell, B.S. Geology and M.S. Economic Geology, SME (Registered Member), AusIMM (Fellow) and SEG (Fellow), a Director of the Company, and a Qualified Person as the term is defined under National Instrument 43-101, has reviewed and approved the scientific and technical disclosure contained in this press release.

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