FORM 51-102F3
MATERIAL CHANGE REPORT

Item One – Name and Address of Company

Zephyr Minerals Ltd.
1301 – 1959 Upper Water Street
Purdy's Wharf Tower 1
Halifax, Nova Scotia B3J 3N2

Item Two - Date of Material Change

July 5, 2021

Item Three - News Release

The news release was issued in Halifax, Nova Scotia on July 5, 2021 via CNW and filed on SEDAR (www.SEDAR.com). See Schedule "A" attached hereto for a copy of the news release.

Item Four - Summary of Material Change

On July 5, 2021 Zephyr Minerals Ltd. (TSXV:ZFR and OTC:ZPHYF) ("**Zephyr**" or the "**Company**") announced that the Company has submitted the application for a mining permit for the Dawson gold deposit with the Colorado Department of Reclamation and Mine Safety.

Item Five - Full Description of Material Change

Please see Schedule "A" attached hereto for a copy of the news release.

Item Six – Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item Seven - Omitted Information

None.

Item Eight - Executive Officer

For further information, please contact:
David Felderhof, CFO
Phone (902) 446-4189; info@zephyrminerals.com

Item Nine – Date of Report

July 5, 2021

SCHEDULE "A"
NEWS RELEASE

Suite 1301, 1959 Upper Water St. · Purdy's Wharf Tower 1 · Halifax · Nova Scotia · B3J 3N2 · Canada

Trading Symbols: TSXV: ZFR OTC: ZPHYF News Release No. 05-21
Shares Outstanding: 67,986,985 July 5, 2021

ZEPHYR ANNOUNCES CHANGE IN CFO

July 5, 2021 - Halifax, Nova Scotia – Zephyr Minerals Ltd. ("**Zephyr**" or the "**Company**") (**TSXV:ZFR**) (**OTC:ZPHYF**), is pleased to announce that it has submitted the application for a mining permit for the Dawson gold deposit ("Dawson") with the Colorado Department of Reclamation and Mine Safety. The application is for a proposed underground mine, mill, mine support facilities and a dry stack tailings facility.

Success in obtaining a mining permit at Dawson will enable the implementation of an underground development program which will include construction of drill stations to undertake infill drilling on the current resource as well as further drilling at depth. The underground infrastructure is particularly important at Dawson as the deposit is blind, with the top approximately 130 meters below surface and dipping steeply underneath Dawson Mountain which results in inordinately long and expensive drill holes to explore at depth from surface. An updated resource estimate is planned for the project subsequent to completion of an underground drilling program. The scheduling of the underground program will hinge on obtaining the mining permit and requisite funding.

A Preliminary Economic Assessment ("PEA") completed on the Dawson deposit in 2017 demonstrates robust economics at a gold price of US$1,250/oz. The PEA assumes 409,000 tonnes of mined/milled material with a diluted grade of 9.2 g/t gold, for recovery of 111,000 oz. gold at an all-in sustaining cost of US$692/oz (see news release of February 7, 2017). The PEA includes inferred mineral resources that are too speculative geologically to have economic considerations applied to them that would enable categorization as mineral reserves. There has been insufficient drilling to define the inferred resources as Indicated or Measured mineral resources; however, it is reasonable to expect that Inferred mineral resources could be upgraded to Indicated and 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.

The PEA is based on a mineral resource estimate prepared in accordance with the CIM Standards and previously disclosed in accordance with National Instrument 43-101 ("NI 43-101")*. Additional surface drilling campaigns have been completed on the Dawson deposit and the adjacent Windy Gulch deposit at various intervals between 2013 and 2021 the results of which will be incorporated in a future resource update.

Loren Komperdo, President & CEO stated, “Given the proposed mine is entirely on private lands and with a very small environmental footprint, and the potential economic benefits to the community, we are optimistic on being successful with the application. In this event, it will be an important milestone for Zephyr, enabling the next step in the development of the Dawson gold deposit.”

During the permitting process for Dawson, which is now largely in the hands of the regulators, management will have the time to pursue additional projects for the Company. The Company’s current focus is on Zimbabwe where potential opportunities are being investigated due to recent favourable changes in mineral claims ownership combined with underexplored Archean age, gold mineralized greenstone belts.

Additional Information

* Details of the mineral resource as applied in the PEA can be found in the report titled National Instrument 43-101 Technical Report for the Dawson Property, Colorado, USA, dated March 21, 2017, (the “Report”) and was prepared for Zephyr by Golder and Associates Ltd. The Report is available at sedar.com.

Mr. Michael Cullen, P.Geo., of Mercator Geological Services Ltd., an independent Qualified Person as the term is defined under National Instrument 43-101 and a co-author of the PEA, has reviewed and is responsible for the scientific and technical information in this news release. Loren Komperdo, President & CEO, has reviewed and confirmed content of this news release and supervised its preparation on behalf of Zephyr.

About Zephyr Minerals Ltd.

Zephyr Minerals Ltd. has applied for a mining permit at its 100% owned high grade Dawson-Green Mountain property in Colorado, USA. After expanding it’s land package to 1,385 hectares (3,574 acres) the Company now controls a 12.2 km long Dawson-Green Mountain mineralized trend. The Company has also begun new project evaluation with focus on under explored areas with the potential to host world class mineral deposits. In addition to the Dawson-Green Mountain property, the Company is assessing opportunities in Zimbabwe.

For further information, please contact:

Loren Komperdo, President & CEO
or
Will Felderhof, Executive Chairman

T: 902 446-4189
info@zephyrminerals.com

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 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-Green Mountain 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.

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