



NEWS RELEASE

SEARCH MINERALS ACHIEVES HIGH RARE EARTH ELEMENT EXTRACTION FROM DEEP FOX MINERAL SAMPLE

Vancouver, B.C. April 5, 2017 – Search Minerals Inc. (TSXV: SMY) (“Search” or the “Company”) is pleased to announce the results from a bench-top demonstration test on a Deep Fox mineral sample using the Search Minerals Direct Extraction Process. The test was completed at SGS Laboratories in Lakefield, Ontario.

The Deep Fox sample (a surface channel sample) containing 1.59% TREE including 2,470 g/t Neodymium (Nd), 697 g/t Praseodymium (Pr) and 306 g/t Dysprosium (Dy) was crushed to pass 10 mesh in particle size. The sample was mixed with sulfuric acid and heated at 190 °C for 8 hours before water leaching for 36 hours at 90 °C.

At the end of the water leach, the remaining solids were filtered and washed. The washed solids, the leachate and the wash solution were then analyzed.

Test Highlights:

- Deep Fox extractions of 90.8% Nd, 90.5% Pr, 81.3% Dy and 82.5% Terbium (Tb) - (complete extractions shown below in Table 1 below).
- The extractions from Deep Fox compare favourably with the extractions from the Foxtrot recent pilot plant sample of 85% for Nd, 86% for Pr, 68% for Dy and 71% for Tb, (*See Search News Release-October 15, 2015 – Search Minerals announces expansion of the Deepwater Fox “Critical REE” prospect in the Port Hope Simpson REE District*).
- The Deep Fox surface channel sample was approximately 1.65 times higher in TREE grade compared to the Foxtrot Pilot Plant sample.

Greg Andrews, Search President and CEO states: “We are very encouraged by these high extraction results from our Deep Fox channel samples. The metallurgical process refined and verified at pilot plant scale for our Foxtrot material has, during this bench scale testing, performed even better with the Deep Fox material. Deep Fox channel grades are up to 15% higher than those at Foxtrot along a similar strike length. A primary objective noted in our recently announced decision to raise \$3 million through private placement is to validate our Port Hope Simpson Critical Rare Earth District concept by drilling Deep Fox. Obviously, these recovery rates provide an additional incentive to drill this prospect.”

Andrews added: “Search continues to optimize the extraction recoveries of the key rare earth elements which are crucial for the permanent magnet market. These elements include: Neodymium, Praseodymium, Dysprosium, and Terbium. All these elements are forecasted to be in short supply due to rapidly growing demand for renewable power generation, electric mobility, and energy-efficient technologies.

SEARCH MINERALS INC.

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Table 1. Extractions of Rare Earth Elements from the Deep Fox Sample

Element	%
La	88.5
Ce	90.4
Pr	90.5
Nd	90.8
Sm	89.0
Eu	87.8
Gd	86.9
Tb	82.5
Dy	81.3
Ho	79.7
Y	79.9
Er	78.7
Tm	71.8
Yb	68.5
Lu	61.4

Qualified Person:

Dr. David Dreisinger, Ph.D., P.Eng., is the Company's Vice President, Metallurgy and Qualified Person for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. Dr. Dreisinger has reviewed and approved the technical disclosure contained in this news release as applicable. The Company will endeavour to meet high standards of integrity, transparency, and consistency in reporting technical content, including geological and assay (e.g., REE) data.

About Search Minerals Inc.

Led by a proven management team and board of directors, Search is focused on finding and developing resources within the emerging Port Hope Simpson Critical Rare Earth Element (“CREE”) District of South East Labrador (the “District”). The Company controls a belt 70 km long and 8 km wide including its 100% interest in the FOXTROT Project which is road accessible and at tidewater. Exploration efforts have advanced “Deep Fox” and “Fox Meadow” as significant new CREE prospects very similar and in close proximity to the original FOXTROT discovery. While the Company has identified more than 20 other prospects in the District, its primary objective remains development of FOXTROT with the clearly demonstrated success of the proprietary processing technology at the pilot plant level and delineation of prospects that will ensure competitive-low cost production beyond the 14-year mine life contemplated in the preliminary economic assessment of FOXTROT completed in April 2016. The FOXTROT Project has a low capital cost to bring the initial project into production (\$152 M), a short payback period and is scalable due to Search’s proprietary processing technology. The preliminary economic assessment is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. The preliminary economic assessment includes the results of an economic analysis of mineral resources. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

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All material information on the Company may be found on its website at www.searchminerals.ca and on SEDAR at www.sedar.com

About neo-CREOs (Adamas Intelligence – December 2016)

We consider neodymium, praseodymium, and dysprosium to be neo-CREOs and they are vital to NdFeB magnets used widely in renewable power generation, electric mobility, and energy-efficient technologies. We consider terbium to be a neo-CREO because upon experiencing shortages of dysprosium, consumers in the magnet industry will rapidly consume available terbium supplies in its place for applications involving renewable power generation, electric mobility and energy efficient technologies. Lanthanum is considered a neo-CREO because it is widely used in catalytic converters and rechargeable batteries, and will be increasingly used as a thermal stabilizer by producers of poly-vinyl chloride (PVC) to minimize lead consumption and improve the energy efficiency of PVC and other processing equipment.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Cautionary Statement Regarding “Forward-Looking” Information.

This news release includes certain “forward-looking information” and “forward-looking statements” (collectively “forward-looking statements”) within the meaning of applicable Canadian and United States securities legislation including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein, without limitation, statements relating to the future operating or financial performance of the Company, are forward-looking statements.

Forward-looking statements are frequently, but not always, identified by words such as “expects”, “anticipates”, “believes”, “intends”, “estimates”, “forecasts”, “potential”, “possible”, and similar expressions, or statements that events, conditions, or results “will”, “may”, “could” or “should” occur or be achieved. Forward-looking statements in this news release relate to, among other things, forecasts of supplies of elements including Neodymium, Praseodymium, Dysprosium and Terbium; the Company’s plans to endeavour to meet high standards in its technical reporting; the low costs of production at FOXTROT; future consumption rates of consumers in the magnet industry; and future increases in the use of Lanthanum as a thermal stabilizer by producers of poly-vinyl chloride. Actual future results may differ materially. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the respective parties, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be

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expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation, general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; and those additional risks set out in Search's public documents filed on SEDAR at www.sedar.com. Although Search believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, Search disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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