



NEWS RELEASE

FOR IMMEDIATE RELEASE: October 27, 2017

SEARCH MINERALS CLOSES FINAL TRANCHE OF DEBENTURE FINANCING

Vancouver, B.C. October 27, 2017 – Search Minerals Inc. (TSXV: SMY) (“Search” or the “Company”) is pleased to announce that, further to its news releases dated September 7, 2017, October 2, 2017 and October 25, 2017, respectively, it has closed the final tranche of its previously announced non-brokered secured convertible debenture (“**Debenture**”) private placement (the “**Private Placement**”) with InCoR Holdings Plc (“**InCoR**”) for gross proceeds of \$350,000. The Debenture has a maturity date of one year from the date of issuance and will bear simple interest at a rate of 15% per annum, calculated and paid semi-annually, in cash or, at InCoR’s option, payable in Units (as hereinafter defined). The Debenture will be convertible into units (“**Units**”) of the Company at a conversion price of \$0.06 per Unit, all in accordance with the terms set forth in the certificate representing the Debenture. Each Unit will be comprised of one common share of the Company (a “**Share**”) and one common share purchase warrant (a “**Warrant**”), with each Warrant entitling the holder thereof to acquire one additional Share (a “**Warrant Share**”) at an exercise price of \$0.07 per Warrant Share for five years from the date of issuance of the Debenture. The Debenture is secured by a general security agreement over all of the Company’s assets and a share pledge agreement pursuant to which the Company has pledged all the shares of its wholly owned subsidiary Alterra Resources Inc. Gross proceeds received from the two tranches of the Private Placement amounted to \$500,000.

All securities issued pursuant to the Private Placement will be subject to a statutory hold period of four months from the date of issuance, in accordance with applicable securities legislation. Completion of the Private Placement is subject to the approval of the TSX Venture Exchange.

Greg Andrews, President and CEO states: “The closing of this debenture, along with the flow-through financing currently underway, allows Search to continue to develop the Port Hope Simpson Critical Rare Earth District. The 2000m Deep Fox drill program will commence around November 15, 2017, which could be instrumental in supporting our District concept. Search has also forwarded concentrate samples (under confidentiality agreements), produced from its pilot plant testing, to two companies, and is in discussions with others, who are in the business of separating mixed rare earth concentrates into individual rare earth oxides. The evaluation of the concentrate materials by these companies will allow Search to accurately determine separation costs and assess best options for a separation partner. In addition, this step could provide potential offtake partners with more complete data on product quality as the Company looks to collaborate with them and other players in the downstream rare earth supply chain. Also, Search has been working with the Provincial and Federal governments on the environmental application process, and has received an outline of the required steps to be completed and included for the preparation of an Environmental Impact Statement.”

Andrews added, “Search welcomes InCoR as a new strategic investment partner, but also, we would like to thank our current and very loyal shareholders of Search Minerals for their continued support.”

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

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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.

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.

For further information, please contact:

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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 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”, “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, completion of the Private Placement. 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 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, the risk that the Company does not receive the approval of the TSX Venture Exchange for the Private Placement. Readers should not place undue reliance on the forward-looking statements and information contained in this news release concerning these times. Except as required by law, the Company does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.

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