



search minerals inc.

**TSXV: SMY**

PO Box 1045, HSBC Building  
1320 – 885 West Georgia Street  
Vancouver, BC, V6C 3E8

Phone: (604) 688-6180 Fax: (604) 682-7317

Website: [www.searchminerals.ca](http://www.searchminerals.ca)

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**NEWS RELEASE  
FOR IMMEDIATE RELEASE: MAY 26, 2011**

**SEARCH MINERALS CONFIRMS REE MINERALIZATION AT DEPTH  
ANNOUNCES 43-101 RESOURCE ESTIMATE PROGRAM  
AT FOXTROT PROSPECT, LABRADOR**

**VANCOUVER, May 26, 2011 - Search Minerals Inc. (TSXV: SMY)** (“Search” or the “Company”) and its wholly-owned subsidiary, Alterra Resources Inc., announce positive results from the first phase of drilling at its **Foxtrot Prospect** (100% owned) in the Port Hope Simpson REE District, SE Labrador. A 3955m drill program has been completed on the Foxtrot light rare earth element (“LREE”)-Zr-Y-Nb Prospect. Assay results have been received and interpreted. A second phase, budgeted at an estimated \$1.1 million, NQ drill program of 4000m has commenced.

**Highlights:**

- *mineralization ranges up to 0.92% TREE (1.05% TREE+Y) including 235 ppm Dy over 11.0m;*
- *an estimated \$1.1 million Phase 2 drilling program has commenced at the Foxtrot Prospect;*
- *4000m drill program designed to produce NI 43-101 compliant resource estimate;*
- *mineralized zone located 9km from all year deep water port and 0.5km from all season gravel road.*

The first phase drill program at the **Foxtrot Prospect** consisted of 23 holes, drilled in late 2010 and early 2011 (refer to news release, Nov. 2, 2010), that intersected LREE-Zr-Y-Nb mineralization at depths of 50 and 100m along a 2km strike length. Mineralization consists of fergusonite, allanite and zircon in metamorphosed fine grained felsic volcanic rocks. Weighted averages from the best interval (DDH FH-10-08: 90.3m) give values of 245 ppm Dy, 1,311 ppm Y, 11,233 ppm Zr, 684 ppm Nb and 0.90 % TREE (not including Y) or 1.04% TREE + Y over 5.3 m (true width). Other, wider, mineralized intersections range from 8.03 – 11.57m length (true width). The assays of the highest grade intersections are markedly consistent throughout the Phase 1 holes. Analytical techniques and sample preparation procedures are outlined in Search's July 27, 2010 press release.

Jim Clucas, President and CEO of Search Minerals notes “*These drill results are very encouraging and we are confident enough in our understanding of the geology to plan for a 43-101 resource estimate by the fourth quarter, 2011*”.

<b>FOXTROT PROSPECT - REE MINERALIZED DDH INTERVALS</b>						
<b>Hole No.</b>	<b>FH-10-05</b>	<b>FH-10-05</b>	<b>FH-10-06</b>	<b>FH-10-06</b>	<b>FH-10-07</b>	<b>FH-10-08</b>
<b>Interval</b>	<b>124.2m</b>	<b>150.2m</b>	<b>61.1m</b>	<b>123.1</b>	<b>107.3</b>	<b>90.3m</b>
<b>True Thickness</b>	9.49m	3.7m	8.03m	11.02m	11.57m	5.26m
<b>Y</b>	1,170	951	1,204	1,303	1,094	1,311
<b>Zr</b>	9,935	7,873	12,186	11,834	9,788	11,233
<b>Nb</b>	666	733	907	749	791	684
<b>La</b>	1,896	1,447	1,948	1,862	1,980	1,812
<b>Ce</b>	3,591	2,919	3,918	3,970	3,777	3,795
<b>Pr</b>	425	353	447	454	430	451
<b>Nd</b>	1,650	1,361	1,702	1,756	1,576	1,767
<b>Sm</b>	285	233	307	309	262	327
<b>Eu</b>	14.2	11.7	15.3	15.7	13.1	17
<b>Gd</b>	225	184	239	249	209	267
<b>Tb</b>	36	29.3	37	41	36	41
<b>Dy</b>	205	169	217	235	193	245
<b>Ho</b>	37	31.0	41	47	35	46
<b>Er</b>	109	90.4	115	129	100	129
<b>Tm</b>	15	12.9	17	18	13	18
<b>Yb</b>	94	81.3	104	115	86	114
<b>Lu</b>	13.8	12.8	16.2	16.8	12.4	17.5
<b>TREE</b>	8,596.8	6,935.4	9,121.1	9,216.9	8,722.1	9,047.0
<b>TREE + Y</b>	9,766.8	7,886.6	10,324.7	10,520.0	9,815.6	10,358.4
<b>HREE</b>	749.8	622.4	799.1	865.6	697.9	895.4
<b>HREE + Y</b>	1,919.8	1,573.6	2,002.7	2,168.7	1,791.4	2,206.8
<b>%HREE</b>	8.72%	8.97%	8.76%	9.39%	8.00%	9.90%
<b>%HREE + Y</b>	19.66%	19.95%	19.40%	20.62%	18.25%	21.30%

Note: All amounts parts per million (ppm). 10,000 ppm = 1% = 10 kg/metric tonne

REE Rare earth elements = La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu (the Lanthanide Series).

TREE Total rare earth elements = total (ppm) of the Lanthanide Series elements.

LREE Light rare earth elements = La, Ce, Pr, Nd, Sm.

HREE Heavy rare earth elements = Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu.

Y Herein not included in HREE due to low market value compared to most Lanthanide series HREE.

%HREE+Y (HREE+Y)/( TREE+Y)

%HREE HREE/ TREE

## Exploration Program Update

Logan Drilling Ltd. has been awarded the contract for a two drill, 4000m, NQ diamond drilling program targeting LREE-Zr-Y-Nb mineralization at the **Foxtrot Prospect** in the Fox Harbour belt located in the Port Hope Simpson REE District. Holes (45° angle) will be spotted to intersect steeply dipping ( $\pm 90^\circ$  dip) surface mineralization at depths of 100 to 250m. Sufficient drilling is planned to produce a NI-43-101 compliant resource estimate that is expected to be delivered in the fourth quarter, 2011. The **Foxtrot Prospect** occurs approximately 0.5 km from an all-season, maintained, gravel highway. Access to the drill site is by tracked vehicle. The prospect is located 9 km west of the deep-water port community of St. Lewis (Fox Harbour).

One metallurgical sample has been collected from lower grade material than that reported here. A second higher grade metallurgical sample will be collected this summer from the **Foxtrot Prospect** and delivered to SGS for additional metallurgical studies.

An estimated \$1.7 million second year (ending Sept. 1, 2011) exploration budget, consisting of an estimated \$1.1 million drilling program, above, and an estimated \$600,000 field exploration program, has been approved by the Board of Directors for the **Foxtrot Prospect** and the Fox Harbour Belt in general. The field/research program at the **Foxtrot Prospect** will include the following to support the NI 43-101 report: a detailed ground magnetic survey, detailed channel sampling and logging, data compilation and analysis, and a detailed outcrop geology map. The Fox Harbour Belt regional exploration program will include a regional ground magnetic survey, channel sampling and logging, sampling and prospecting, and geological mapping. The target of the regional program is Foxtrot-like LREE-Zr-Y-Nb mineralization.

Jim Clucas, President and CEO of Search Minerals notes *“We are very excited that Search Minerals has discovered this new REE district that has already been shown to host both LREE and HREE mineralization. In addition, the favourable infrastructure in the Port Hope Simpson REE District allows us to explore all year around on an expedited basis.”*

The Port Hope Simpson REE District is 135 km long and 4 – 12 km wide, consists of 3704 claims in 66 licenses and occupies 926 square kilometres. There are a total of 8 REE prospects in the District, including: Rock Rolling Hill, Rattling Bog Hill, Piperstock Hill, Southern Shore, Toots Cove, Pesky Hill, HighREE Island and **Foxtrot**. The **Foxtrot Prospect** occurs in the Fox Harbour mineralized belt. Piperstock Hill, Southern Shore, Toots Cove and Pesky Hill occur in a 13 km mineralized zone known as the HighREE Hills. Both the Fox Harbour and HighREE Hills mineralized zones are considered very prospective for REEs.

### Qualified Person:

The results of the Company's first phase drill program (including sampling, analytical and test data) have been reviewed and verified by Dr. Randy Miller, Ph.D., P.Geo, the Company's Vice President Exploration and Qualified Person for the purposes of NI 43-101. 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.

*Search Minerals Inc. (TSXV:SMY) is a TSX Venture Exchange listed company, headquartered in Vancouver, B.C. Search is the discoverer of the Port Hope Simpson REE District, a highly prospective light and heavy REE belt located in southeast Labrador where the company controls a dominant land position in a belt 135km long and up to 12km wide. In addition, Search has a number of other mineral prospects in its portfolio located in Newfoundland and Labrador, including a number of claims in the Strange Lake Complex, where Quest Rare Minerals has an earn-in agreement with the Company; and at the Red Wine Complex, where Great Western Minerals Group has an earn-in agreement with the Company.*

*Furthermore, Search Minerals is the owner of patents relating to the Starved Acid Leaching Technology (“SALT”), a process with the potential to aid in the recovery of certain metals.*

*Search Minerals is lead by a management team and board with a proven track record in the mining industry. The Company has a team with deep geological and metallurgical expertise lead by Dr. Randy Miller and Dr. David Dreisinger. The Company is well-funded and has an aggressive exploration program planned for the remainder of 2011.*

*All material information on the Company may be found on its website at [www.searchminerals.ca](http://www.searchminerals.ca) and on SEDAR at [sedar.com](http://sedar.com).*

**For further information, please contact.**

Search Minerals Inc.  
Jim Clucas, President and CEO  
1320-885 West Georgia Street  
Vancouver, B.C. V6C 3E8

Tel: 604-688-6180  
Fax: 604-682-7317  
Email: [jimclucas@searchminerals.ca](mailto:jimclucas@searchminerals.ca)  
Website: [www.searchminerals.ca](http://www.searchminerals.ca)

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