



**NEWS RELEASE  
FOR IMMEDIATE RELEASE: OCTOBER 12**

**SEARCH MINERALS ANNOUNCES FOXTROT PHASE III DRILL  
PROGRAM TO 400M DEPTH: WILL ADD TO  
NI 43-101 RESOURCE ESTIMATE EXPECTED Q4, 2011**

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**Highlights:**

- **Phase III 10,000m drill program at Foxtrot Prospect, Labrador, commenced October 1, 2011;**
- **NI 43-101 report, with resource estimate to 200m depth, due in Q4;**
- **Phase III drill program designed to produce NI 43-101 compliant resource estimate to 400m depth;**
- **Drill program budgeted at C\$2,25 million;**
- **Dysprosium is one of the main mineral assets at Foxtrot: Higher-priced REE used in production of industrial magnets, ceramics, lasers, and nuclear applications.**

**VANCOUVER, October 12, 2011 – Search Minerals Inc. (“Search” or the “Company”) (TSXV: SMY)** and its wholly-owned subsidiary, Alterra Resources Inc., are pleased to announce that on October 1, 2011, a third phase drill program of 10,000m, budgeted at C\$2.25 million has commenced at its **Foxtrot Prospect** in the Port Hope Simpson REE District, SE Labrador. The Phase III drill data will provide data to extend the resource estimate to 400m depth. The Company expects that a NI 43-101 compliant resource estimate for the **Foxtrot Prospect**, with data to 200m depth from Phase I and Phase II will be delivered in Q4, 2011.

**Drill Program Update:**

The Phase I program at the **Foxtrot Prospect** consisted of 23 holes, drilled in late 2010 and early 2011 (refer to news release, May 26, 2011). REE-Zr-Y-Nb mineralization was intersected at depths of 50m and 100m along a 2km strike length. Mineralization consists of fergusonite, allanite and zircon in metamorphosed fine-grained felsic volcanic rocks.

The Phase II program (20 holes) was completed in the summer of 2011 (refer to news release, August 30, 2011). It was designed to intersect mineralization at 50m, 100m, 150m, and 200m depths along a 500m strike length. Mineralization was intersected in all holes and the grades and geology of the mineralization remain relatively constant throughout the 500m of strike length.

The Phase III program, consisting of approximately 25 holes, is designed to intersect REE-Zr-Y-Nb mineralization at 200m, 250m, 300m, 350m and 400m depths along a 500m strike length. A total of approximately 10,000m is planned at an estimated cost of C\$2,25 million. This program is expected to be completed in Q1, 2012 and will provide further data for a NI 43-101 compliant resource estimate update expected in Q2, 2012.

Jim Clucas, President and CEO of Search Minerals stated, *"With the combination of Search's healthy treasury, the consistency and uniformity of the REE mineralization drilled to date at Foxtrot, along with the favourable location of the project, I believe that Search can advance this project at a pace which is superior to most other rare earth exploration companies currently in play. Foxtrot's greatest asset would appear to be Dysprosium, which is forecast to continue to be one of the higher priced REEs. Dysprosium is also one of the more versatile REEs, being used in magnets, ceramics, lasers, and nuclear applications."*

Mr. Clucas further noted: *"The Foxtrot Prospect is only one of 14 discoveries made on Search's large land position in Labrador in the summer of 2010. We expect to announce the results from our aggressive summer 2011 exploration program in the near future."*

Springdale Forest Resources Inc. (Diamond Drilling Division) has been awarded the contract for a two drill, 10,000m, NQ diamond drilling program targeting REE-Zr-Y-Nb mineralization at the **Foxtrot Prospect** in the Fox Harbour belt. Holes (45° angle) will be spotted to intersect steeply dipping ( $\pm 90^\circ$  dip) surface mineralization at 250m to 400m depths. The **Foxtrot Prospect** occurs approximately 1/2 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).

A representative sample from the **Foxtrot Prospect** has been submitted to SGS Canada Ltd. for metallurgical study. A mineralogical and preliminary metallurgical report is expected in Q4, 2011.

The field/research program at the **Foxtrot Prospect** is being completed to support the NI 43-101 report. A detailed ground magnetic survey map, detailed channel logs and geochemical data, and a detailed outcrop geology map have been produced. The Fox Harbour mineralized belt regional exploration program is continuing and includes a regional ground magnetic survey, channel sampling and logging, sampling and prospecting, and geological mapping. The target of the regional program is Foxtrot-like REE-Zr-Y-Nb mineralization within the 35 km long Fox Harbour volcanic belt.

#### **Exploration Program Update:**

The Search ground holdings in the Port Hope Simpson REE District (926 square kilometres) form a 135 km long and 4 – 12 km wide belt and consist of 3704 claims in 66 licenses. To date a total of 8 REE prospects have been discovered 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 belt known as the HighREE Hills. Both the Fox Harbour and HighREE Hills mineralized belts are considered very prospective for REEs.

**Qualified Person:**

Dr. Randy Miller, Ph.D, P.Geo, Vice President Exploration, is the Qualified Person responsible for the technical content of this press release. The company endeavours to meet high standards of integrity, transparency and consistency in reporting technical content, including geological and assay (e.g., REE) data.

**About Search Minerals:**

*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 economically recover nickel and cobalt from known deposits currently considered subeconomic.*

*Search Minerals is led 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 respectively led by Dr. Randy Miller and Dr. David Dreisinger. The Company is well funded 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).*

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The following presentation may include certain "forward-looking statements" within the meaning of the United States Private Litigation Reform Act of 1995 and applicable Canadian Securities Laws. All statements other than statements of historical fact, included in the presentation, including without limitation, statements regarding

potential mineralization and reserves, exploration results, and future plans and objectives of Search Minerals, are forward-looking statements. Words such as “expect”, “anticipate”, “estimate”, “may”, “will”, “should”, “intend”, “believe” and other similar expressions are forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather reflect our current views with respect to future events and are subject to risks, uncertainties, assumption and other factors, and actual results and future events could differ materially from those anticipated in such statements. There can be no assurance that such forward-looking statements will prove to be accurate. We base our forward-looking statements on information currently available to us and we do not assume any obligation to update them, except as required by law.

An additional Cautionary Note to Investors: In the event that we use certain terms in this presentation such as “resource”, “measured resource”, “indicated resource” and “inferred resource”. US investors are cautioned that, while such terms are recognized and required by Canadian Securities Laws, the United States Securities and Exchange Commission does not recognize them. Under U.S. standards, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination has been made. U.S. investors should not assume that all or any part of measured or indicated resources will ever be converted into reserves. In addition, “inferred resources” have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Accordingly, information concerning descriptions of mineralization in the presentation may not be comparable to information made public by companies that are subject to the SEC’s Industry Guide 7.

All of the scientific and technical information contained herein has been reviewed and/or prepared by Dr. Randy Miller, P.Geol, a “Qualified Person” within the meaning of National Instrument 43-101-Standards of Disclosure for Minerals Projects. For further details of the Company’s procedures and policies for data verification, the reader is referred to the Company’s news releases and other material information available on the Company’s website at [www.searchminerals.ca](http://www.searchminerals.ca) or on SEDAR at [www.sedar.com](http://www.sedar.com)