



Search Closes \$150,000 of the Secured Convertible Debenture and Announces Board Changes

VANCOUVER, British Columbia, Oct. 02, 2017 -- **Search Minerals Inc.** (TSXV:SMY) ("**Search**" or the "**Company**") is pleased to announce that it has closed the first 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 \$150,000. As previously announced in a news release dated September 7, 2017, InCoR has agreed to provide total funding of \$500,000 by way of Debentures. The Debentures will have 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 Debentures 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 Debentures. 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 Debentures. The Debentures are 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. Search expects the final closing of the Private Placement to be on or about October 27, 2017.

As a condition of this closing, the board of directors of the Company (the "**Board**") has accepted two nominees from InCoR, being Mr. George Molyviatis and Ms. Jocelyn Bennett, and has accepted the voluntary resignations of Jim Clucas and Jim Patterson from the Board. In addition, Jim Clucas has also resigned as Executive Chairman of the Company.

The Board now consists of the following six members: Greg Andrews, Dr. David Dreisinger, Roberto Giannetti da Fonseca, Leo Power, George Molyviatis and Jocelyn Bennett.

Greg Andrews, President and CEO states, "The Search board welcomes Mr. George Molyviatis and Ms. Jocelyn Bennett to Search Minerals. Their experience and success in financing and building mining companies will be invaluable to Search as we continue to develop the Port Hope Simpson Critical Rare Earth District. I would also like to thank Jim Clucas and Jim Patterson for their contributions since the beginning of Search in 2008, as original directors, and wish them success in their future endeavours."

Mr. George Molyviatis is a Greek/Swiss national. He is an entrepreneur with an extensive financial background. He is the founder of InCoR and has been involved in the mining sector for over 25 years.

Ms. Jocelyn Bennett is a US and Swiss citizen and resides in Geneva Switzerland. She has a strong financial background and extensive accounting and corporate experience. She is a senior partner and director in InCoR. She also owns a fiduciary services company in Geneva Switzerland.

All securities issued pursuant to the Private Placement will be subject to a statutory hold period of four months and one day from the date of issuance. Completion of the Private Placement is subject to the approval of the TSX Venture Exchange.

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.

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.

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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.