



NEWS RELEASE

SEARCH ANNOUNCES INCREASE IN SIZE OF NON-BROKERED PRIVATE PLACEMENT

Vancouver, B.C. October 26, 2016 – Search Minerals Inc. (TSXV: SMY) ("Search" or the "Company") announces that further to its press releases dated September 13, 2016 and October 11, 2016 it has increased the size of its previously announced private placement (the "**Private Placement**"). Due to the strong demand from potential investors, the Company will now be proceeding with an offering of a total of up to 12,800,000 units (the "**Units**") at \$0.07 per Unit for gross proceeds of up to \$896,000. On October 11, 2016, the Company announced that it had closed the first tranche of the Private Placement raising gross proceeds of \$364,000 by the issuance of 5,200,000 Units and the Company anticipates closing the remaining portion of the Private Placement by November 8, 2016. Each Unit will consist of one common share in the capital of the Company and one share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder to purchase one additional common share in the capital of the Company (a "**Warrant Share**") at a price of \$0.14 per Warrant Share for a period of twelve months from the closing of the Private Placement.

The Company will use the proceeds from the Private Placement to complete environmental assessment applications and for general working capital requirements.

Closing of the Private Placement is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the approval of the TSX Venture Exchange. No finder's fees or commissions are payable in connection with the financing.

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 SE Labrador. 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 "Deepwater 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 by confirming proprietary processing technology at the pilot plant level (in progress) 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.

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

About CREE's

Identified as Neodymium (Nd), Europium (Eu), Terbium (Tb), Dysprosium (Dy) and Yttrium (Y) this valuable subset of the complete series of 17 rare earth elements is considered critical due to high demand and/or constrained

SEARCH MINERALS INC.

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domestic supply. Containing unique properties which enhance the performance of a range of innovative technologies, CREE's are essential components in the development of permanent magnets and a variety of other components used in renewable energy, green technology automobiles, medical devices, electronics and agricultural production.

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", "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 and the Consolidation. 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 is not able to find suitable investors for the Private Placement or does not receive the approval of the TSX Venture Exchange or the shareholders of Search. 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, Search does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.