

Search Minerals and PT ANTAM (Persero) Tbk Sign Heads of Agreement for Salt Technology Processing Plant

VANCOUVER, May 23, 2012 /CNW/ - Search Minerals Inc. ("Search" or the "Company") (TSXV: SMY), is pleased to announce that the Company and PT ANTAM (Persero) Tbk ("ANTAM") (ASX:ATM; IDX:ANTM) have signed a Heads of Agreement ("HOA") to cooperate in developing a Starved Acid Leach Technology ("SALT") plant to apply the Company's SALT technology in processing low grade saprolite nickel ore from ANTAM's mining permits in one or more of Halmahera, Pomalaa or other mining projects located within Indonesia. Subject to satisfactory results of the parties respective due diligence and evaluation, Search will design, construct and operate the plant in Indonesia and ANTAM will commit to a long term ore supply capable of supporting a 30 year mine plan for each Indonesian project that ANTAM and the Company mutually agree on for the implementation of SALT, once proven. Subject to studies, the initial supply is anticipated to be approximately 2 million dry tonnes of ore per year. Nickel produced from the plant would be available to ANTAM at market pricing under an off take agreement. If ANTAM's refineries can feasibly extract any produced cobalt from the plant then the parties would transact for such cobalt based on market pricing and alternatively Search would be unencumbered in how it disposes of any such cobalt product in accordance with prevailing laws and regulations.

Search has already received approximately 160 kilograms of material from ANTAM's Pomalaa mine to begin testing with Dr. Dreisinger and his team at the University of British Columbia. Laboratory testing will proceed while the parties complete pertinent due diligence, determine a favorable transaction structure and negotiate definitive transaction agreements. Subject to satisfactory results of the parties' respective due diligence, the parties intend to execute definitive agreements within six months.

The Indonesian plant will be the second plant to test the Company's SALT process. Through its participation with Votorantim Group in Brazil (see News Release - August 9, 2011), Search has advanced the development of the SALT process via the Votorantim pilot plant in Rio de Janeiro with respect to leaching of Caron plant tailings and laterite (saprolite) materials.

Jim Clucas, President of Search, states "We are very excited to be working with two world class mining companies looking to achieve efficiencies with their existing resources."

The scope of cooperation in the HOA includes the following:

- Feed to the plant will consist of saprolite from ANTAM's Indonesian project(s) with nickel cut-off grades ranging from:
 - upper cut-off: immediately below the cut off used for defining ore for ANTAM's own production of ferronickel; to
 - lower cut-off: to be determined based on the technical and economic factors and mutual agreement by ANTAM and Search.
- Search will be responsible for all activities and bear all costs and expenses related to laboratory test work, pilot plant test work, pre-feasibility, feasibility and optimization studies with respect to the SALT process. ANTAM will be welcome to participate in the technology development activities (lab tests, discussions, etc).
- Search will also be responsible for the design of the plant and management of the development, construction and operation of the SALT plant. Search may, at its costs and with ANTAM's consent, employ ANTAM personnel at the SALT plant.
- ANTAM will be responsible for all activities and costs required to produce a JORC resource capable of supporting a 30 year mine plan.
- Where available and practical, ANTAM will provide Search, at Search's cost (based on arms-length market pricing, less any discount negotiated between ANTAM and Search), with access to and use of existing infrastructure including port site, roads, water, tailings disposal and space for plant and ancillary facilities.

The SALT plant will be owned and operated by Search. ANTAM will, however, have the right and option to acquire up to a 30% (or a mutually agreed higher) interest in the plant, which option will be valid and subject to exercise for a period of 6 months after delivery by Search of the definitive and bankable feasibility study for the project. The exercise price of the option will be equal to the product obtained by multiplying the percentage interest ANTAM elects to acquire by the aggregate estimated cost of construction and commissioning of the plant as set forth in the feasibility study. If ANTAM elects not to exercise the option, Search will be free to continue with the plant on its own, independent of ANTAM.

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.

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 a Joint Venture 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 sub economic.

Search Minerals is led by a management team and Board of Directors with a proven track record in the mining industry. The Company has experienced geological and metallurgical teams led by Dr. Randy Miller and Dr. David Dreisinger respectively.

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

About PT ANTAM (Persero) Tbk

ANTAM (ASX:ATM; IDX:ANTM), is a vertically integrated, export-oriented, diversified mining and metals company. With operations spread throughout the mineral-rich Indonesian archipelago, ANTAM undertakes all activities from exploration, excavation, processing through to marketing of nickel ore, ferronickel, gold, silver and bauxite.

Cautionary Statements

This news release contains forward-looking statements that are not historical facts, including future plans and objectives of the Company. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include unsatisfactory results of due diligence reviews conducted by either Search or ANTAM, failure to negotiate definitive agreements on terms satisfactory to both parties, inability of one or both parties to meet their respective obligations under the agreements and other risks set out in Search's public documents filed on SEDAR at www.sedar.com. Although Search believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, Search disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

%SEDAR: 00024814E

For further information:

Jim Clucas
President & Chief Executive Officer
T: 604-688-6180
E: jimclucas@searchminerals.ca

CO: Search Minerals Inc.

CNW 16:12e 23-MAY-12