

Search Minerals and NunatuKavut Community Council Sign Exploration Activities Agreement

VANCOUVER, Aug. 27, 2012 /CNW/ - Search Minerals Inc. ("Search" or the "Company") (TSX: SMY) announces that it has signed a Mining Exploration Activities Agreement with the NunatuKavut Community Council ("NunatuKavut" or "NCC"), the political representative body of the Inuit of South-Central Labrador. Search has been exploring mining opportunities in the NunatuKavut land claim and treaty area for more than three years.

The agreement solidifies a relationship that has evolved through the Company's activity in and around NunatuKavut communities on the south coast. The agreement sets out a respectful way forward, meeting the interests of and ensuring mutual benefit for both parties.

Key elements in the agreement address environmental protocols and safeguards for matters of historic values. The agreement also sets out hiring and business opportunities for NunatuKavut members and communities as well as certain financial considerations.

NCC President, Todd Russell said "This is good news for NunatuKavut and its people. This is the first mining exploration agreement we have reached with companies working on our Lands and it is a sign that development can proceed in an air of respect." Russell, added, "I am also pleased that we are signing this agreement on the official launch of our Treaty Celebrations. The British-Inuit Treaty of 1756 is important historically but the spirit and intent of the Treaty is as significant today as it was nearly 250 years ago."

Search President, James Clucas, remarked "We are pleased to be able to formalize our relationship with the local NCC communities in South-Central Labrador. With this agreement, we hope to be able to quickly advance our development of the Foxtrot Project and other REE prospects in the area".

Search will make an annual good faith payment to NCC of a small cash stipend and 50,000 common shares. The agreement will continue indefinitely unless and until one or both parties elect to terminate.

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 of the adequacy or accuracy of this release.

About Search:

Search Minerals Inc. (TSX: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 the Starved Acid Leaching Technology (patents pending) ("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.

Cautionary Statement:

This news release contains forward-looking statements that are not historical facts. 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 those 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.

SOURCE: Search Minerals Inc.

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CNW 14:06e 27-AUG-12