

Search Minerals Announces New Strategic Direction

TORONTO, Oct. 17, 2013 /CNW/ - Search Minerals Inc. ("**Search**" or the "**Company**") (TSXV: SMY) is pleased to provide the following corporate and strategic update.

To date, Search has been focused on two lines of business: mineral exploration and development of rare earth element ("**REE**") projects in Newfoundland and Labrador; and research and development of the Starved Acid Leach Technology ("**SALT**"). It is the strong belief of the management and Board of Search that, considering both current market conditions and Search's own core strengths, a strategic refocusing of the Company is required.

Search has realigned its corporate strategy to focus on critical metals—which includes REE—with strong market fundamentals and with increasing use in innovative technologies. The Company's new corporate strategy centers on creating value through finding and developing metal assets with strong growing demand and constrained or restricted supply. As such, the Company is currently actively pursuing opportunities and partnerships in critical metals, including, but not limited to, tin, tungsten, dysprosium and neodymium, prioritizing projects that can be partnered, funded and developed in a relatively short period of time, in strategic, friendly jurisdictions.

Due to its strong market fundamentals, Search has selected tin to be its first critical metal to focus upon. Tin prices have risen from US\$4,000 per tonne in 2002 to US\$22,000 per tonne in 2013, on the back of strong new demand and supply constraints from existing mines, and a limited pipeline of upcoming projects.

Search's first priority over the next several months is to add assets that are in the development stage and at or near cash flow. On August 20, 2013, the Company announced that it had signed two non-binding letters of intent ("**LOIs**"), with Mineração São Francisco de Assis Ltd. ("**MSFA**") and Carlos Mena Resources Ltd. ("**CMR**"), two privately held companies, each dedicated to the development and operation of tin assets in Brazil. The LOIs outline the general terms and conditions pursuant to which Search, MSFA and CMR would be willing to complete one or more transactions resulting in a combination of their respective business operations (the "**Transactions**") (see "*Search Minerals Announces Non-Binding Letters of Intent for Business Combinations with Two Tin Companies in Brazil*"). Upon completion of one or more of these Transactions, Search expects to move from pure exploration to development and production.

Negotiations amongst all parties regarding the aforementioned Transactions are ongoing and final commercial terms will be disclosed in due course.

In addition, Search continues to maintain and evaluate its REE properties in the Port Hope Simpson REE District, which includes the Fox Harbour volcanic belt and the Company's flagship property, the Foxtrot Project.

STARVED ACID LEACHING TECHNOLOGY (SALT)

The Company is also pleased to announce that it has signed an LOI with InCoR Holdings Plc.'s ("**InCoR**") wholly owned subsidiary InCoR Technologies Limited ("**ICRT**"), whereby ICRT plans to purchase the intellectual property rights to the starved acid leaching technology ("**SALT**"), developed by Search's own Dr. David Dreisinger and Mr. James Clucas.

The LOI contemplates that ICRT would purchase SALT for a total purchase price of C\$2.2 million, comprised of the following:

- C\$50,000 at closing, expected not later than October 31, 2013;
- C\$50,000 upon delivery of a positive economic scoping study, anticipated in early 2014;
- C\$100,000 upon completion of a positive bankable feasibility study; and
- C\$2,000,000 repayable from 25 percent of the net cash flow from a commercial application of the technology.

Stephen Keith, President & Chief Executive Officer, added, "As Search refocuses on other opportunities, we elected to transfer SALT to a company dedicated to developing technology for the mineral extraction industry, with plans to move ahead with the economic scoping study and subsequent pilot plant test work. The sale of SALT to InCoR, if completed, will allow Search to focus on its new strategic direction in order to deliver value to shareholders. It will also allow InCoR to further develop this innovative technology developed by Dr. Dreisinger and Mr. Clucas which does not align with Search's new strategic direction."

Completion of the transaction is subject to the receipt of all necessary regulatory and other approvals, including the approval of the TSX Venture Exchange.

INFORMATION REGARDING TRADE HALT

On August 20, 2013, Search issued voluntary disclosure in the form of a news release (the "**Release**") regarding two non-binding LOIs with MSFA and CMR (see "*Search Minerals Announces Non-Binding Letters of Intent for Business Combinations with Two Tin Companies in Brazil*").

Following the issuance of the Release, the Investment Industry Regulatory Organization of Canada ("**IIROC**") determined to halt the stock until such time that the Company could disclose proposed consideration and method of payment in relation to the two proposed Transactions, as per TSX Venture Exchange Policy 5.3, sections 5.3 and 5.6(d). Until there is certainty that either or both Transactions will be consummated, the Company has not been able to issue any public statement regarding valuation of MSFA or CMR. Both Transactions are subject to legal, technical and financial due diligence.

Search continues to communicate with the TSX Venture Exchange and to work diligently with all parties involved in order to expedite negotiations regarding the Transactions to allow for a lift of the trade halt and return of liquidity for the Company's investors as soon as is practicable.

About Search Minerals:

Search Minerals Inc. (TSXV: SMY) is a TSX Venture Exchange listed company. 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 135 km long and up to 12 km wide. In addition, Search holds a number of additional mineral prospects in Newfoundland and Labrador in its portfolio, including claims in the Strange Lake Complex (where Quest Rare Minerals has a Joint Venture with Search); and at the Red Wine Complex (where Great Western Minerals Group has a Joint Venture with Search).

*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 proven track records in the mining industry, with 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 sedar.com.

About InCoR Holdings Plc.:

*InCoR Holdings Plc. ("**InCoR**") is a venture capital and holding company in the natural resource sector. InCoR acquires and develops projects and distressed assets identified by management focusing primarily in the mineral resource, energy and food/agriculture sectors. InCoR acts as a worldwide project incubator with a "barbell" approach to investment. By adopting this approach, InCoR targets projects that are either near term cash flow positive or with world class blue sky potential.*

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.

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 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.

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