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**SEARCH MINERALS INC. DISCOVERS  
ADDITIONAL HEAVY RARE EARTH ELEMENT MINERALIZATION  
IN THE PORT HOPE SIMPSON REE DISTRICT, LABRADOR**

**VANCOUVER, August 26, 2010 - Search Minerals Inc. (TSXV: SMY)** (“Search” or “the Company”) and its wholly owned subsidiary, Alterra Resources Inc. (“Alterra”), have discovered additional heavy rare earth element-enriched (HREE) mineralization in two new showings west and southwest of Port Hope Simpson, in the Port Hope Simpson REE District in SE Labrador. Mineralization at these showings, Rock Rolling Hill and Rattling Bog Hill, is hosted in granitic pegmatites.

*Highlights: (See Table 1 for details)*

- *Rock Rolling Hill and Rattling Bog Hill showings contain HREE in granitic pegmatite swarms;*
- *HREE/Total REE ranges from 30.58% to 91.67%, and HREE+Y/Total REE+Y ranges from 51.94% to 96.63%;*
- *Nb values range from 2373 to 7623 ppm and Y values range from 1420 to 4792 ppm; and*
- *Three HREE showings and a highly prospective Zr-Nb-Y-LREE peralkaline volcanic zone now reported in the Port Hope Simpson REE district.*

*(HREE = Heavy Rare Earth Elements; Total REE= Total Rare Earth Elements; Y = Yttrium; Nb= Niobium; Zr = Zirconium)*

Jim Clucas, President and CEO of Search notes “ The ground program, which commenced this May, 2010, is being led by Dr. Randy Miller and supported by 10 geologists, 12 prospectors and 3 support staff. The exploration work continues to meet with success with a total of 4 prospective areas being identified. Over 1,700 samples have been collected and assayed and approximately 300 metres of channel sampling has been cut and logged, with some assays pending. Drilling programs are currently being planned and drill tenders are being sought for the Island Prospect showing.”

Initial REE and rare metal results from grab samples are available for two showings in the St. Lewis North Shore area of the Port Hope Simpson REE district: Rattling Bog Hill and Rock Rolling Hill Showings. REE mineralization at these showings occurs in two granitic pegmatite fields that contain up to 5 known pegmatites ranging from 3 to 10 m wide. The mineralization occurs in unidentified REE and rare metal-bearing minerals.

**TABLE 1:**

|                      | ROCK ROLLING HILL    |                      |                      | RATTLING BOG HILL    |                       |                       |              |
|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|--------------|
|                      | SLNS-<br>1004<br>ppm | SLNS-<br>1005<br>ppm | SLNS-<br>2001<br>ppm | SLNS-<br>1007<br>ppm | SLNS -<br>1046<br>ppm | SLNS -<br>1047<br>ppm |              |
| <b>Y</b>             | 2,354                | 4,792                | 3,915                | 1,420                | 3,366                 | 2,963                 |              |
| <b>Zr</b>            | 253                  | 221                  | 4,005                | 1,322                | 747                   | 575                   |              |
| <b>Nb</b>            | 4,949                | 7,623                | 4,900                | 2,373                | 4,130                 | 4,160                 |              |
|                      |                      |                      |                      |                      |                       |                       |              |
| <b>La</b>            | 6                    | 6                    | 829                  | 26                   | 9                     | 105                   | Light<br>REE |
| <b>Ce</b>            | 21                   | 26                   | 2,490                | 78                   | 36                    | 290                   |              |
| <b>Pr</b>            | 7                    | 9                    | 369                  | 13                   | 8                     | 36                    |              |
| <b>Nd</b>            | 75                   | 95                   | 1,770                | 77                   | 65                    | 175                   |              |
| <b>Sm</b>            | 104                  | 158                  | 656                  | 65                   | 73                    | 91                    |              |
| <b>Eu</b>            | 3                    | 3                    | 8                    | 2                    | 3                     | 3                     | Heavy<br>REE |
| <b>Gd</b>            | 234                  | 402                  | 599                  | 139                  | 169                   | 169                   |              |
| <b>Tb</b>            | 63                   | 113                  | 107                  | 38                   | 48                    | 44                    |              |
| <b>Dy</b>            | 504                  | 908                  | 695                  | 299                  | 423                   | 379                   |              |
| <b>Ho</b>            | 115                  | 209                  | 150                  | 69                   | 111                   | 96                    |              |
| <b>Er</b>            | 354                  | 644                  | 483                  | 212                  | 427                   | 363                   |              |
| <b>Tm</b>            | 49                   | 92                   | 75                   | 30                   | 85                    | 69                    |              |
| <b>Yb</b>            | 312                  | 585                  | 500                  | 190                  | 702                   | 562                   |              |
| <b>Lu</b>            | 49                   | 93                   | 76                   | 31                   | 130                   | 105                   |              |
|                      |                      |                      |                      |                      |                       |                       |              |
| <b>TREE</b>          | 1,895                | 3,343                | 8,807                | 1,267                | 2,289                 | 2,488                 |              |
| <b>TREE + Y</b>      | 4,249                | 8,135                | 12,722               | 2,687                | 5,655                 | 5,451                 |              |
| <b>HREE</b>          | 1,683                | 3,049                | 2,693                | 1,009                | 2,098                 | 1,791                 |              |
| <b>HREE +<br/>Y</b>  | 4,037                | 7,841                | 6,608                | 2,429                | 5,464                 | 4,754                 |              |
| <b>%HREE</b>         | 88.82%               | 91.22%               | 30.58%               | 79.61%               | 91.67%                | 72.00%                |              |
| <b>%HREE<br/>+ Y</b> | 95.01%               | 96.39%               | 51.94%               | 90.38%               | 96.63%                | 87.22%                |              |

REE Rare earth elements = La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu (the Lanthanide Series).

TREE Total rare earth elements = total (ppm) of the Lanthanide Series elements.

LREE Light rare earth elements = La, Ce, Pr, Nd, Sm.

HREE Heavy rare earth elements = Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu.

Y Herein not included in HREE due to low market value compared to most Lanthanide series HREE.

%HREE+Y  $(HREE+Y)/(TREE+Y)$

%HREE  $HREE/TREE$

Trenching, detailed prospecting and an extensive sampling program are currently underway to evaluate these showings and to outline new pegmatite-hosted REE mineralization in the area. Channel samples, 8 cm. wide and 10 cm deep, are also being taken to evaluate pegmatite bulk chemistry and to document pegmatite geology.

The Rock Rolling Hill Showing occurs within 1 km of a seasonal logging road and within 6 km of the community of Port Hope Simpson. The Rattling Bog Showing occurs within 2 km of the all season, maintained, Trans-Labrador Highway and within 3 km of the community of Port Hope Simpson. Port Hope Simpson contains a port facility, small aircraft airport, several sawmills, a hotel and restaurants.

The Port Hope Simpson REE District now contains three HREE-enriched showings: High REE Island Prospect, Rattling Bog Showing and Rock Rolling Hill Showing. The Fox Harbour zone, which is highly prospective for Zr-Nb-Y-LREE in peralkaline volcanics, is also located within the Port Hope Simpson REE District.. The exploration program is continuing in these and other highly prospective areas in the Port Hope Simpson REE District.

Dr. Randy Miller, Ph.D, P.Geo, Vice President Exploration, is the Qualified Person responsible for the technical content of this press release.

**About Search Minerals Inc.**

*Search Minerals Inc (TSX-V SMY) has a strong and dedicated management team with outstanding capabilities in separate but related mining activities, any of which has the potential to generate significant shareholder value. Search's mineral exploration team is led by Vice President Exploration Dr. Randy Miller. Dr. Miller is responsible for directing the current exploration programs on Search's large land position in Labrador. Search also has a technology arm headed up by Dr. David Dreisinger, Chair of Hydrometallurgy at the University of British Columbia in Vancouver, Canada, and a consultant to several major international mining companies. Search's business strategy is to fund ideas or concepts in the mineral exploration or metallurgical fields that have low initial costs.*

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