



search minerals inc.

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NEWS RELEASE

FOR IMMEDIATE RELEASE: JUNE 22, 2011

SEARCH MINERALS ANNOUNCES CONTINUED EXPLORATION FUNDING BY QUEST ON STRANGE LAKE REE JOINT VENTURE, LABRADOR

VANCOUVER, June 22, 2011 – Search Minerals Inc. (“Search” or the “Company”) (TSXV: SMY) is pleased to announce that, **Quest Rare Minerals Ltd. (“Quest”)** has agreed to continue to fund exploration work on the property owned by Search Minerals at the Strange Lake REE Complex in Labrador, as outlined in the Option Agreement (“The Option”), signed on June 16, 2010. This is the second year of the Search-Quest Option and a minimum of \$150,000 will be spent by Quest on the Option.

Quest has successfully grouped a number of claims including: 016412M, 016413M, 016414M and 016415M into a single license now referred to as 019113M. Quest’s year two agenda will continue its exploration program on Search’s Strange Lake Property and will comprise additional drilling to follow-up Year one results, prospecting and mapping.

Jim Clucas, President and CEO of Search Minerals stated: *“We are delighted that Quest is continuing to fund an exploration program on Search’s Strange Lake Property. Quest and Search are very encouraged by the results to date, and both companies are very excited by the continuing prospects and possibilities at Strange Lake.”*

Search (Alterra) Strange Lake Property Option Agreement Terms

Pursuant to the exploration and option agreement with **Quest Rare Minerals** executed on June 16, 2010, Quest may earn a 50% undivided working interest in 30 mining claims by issuing an aggregate of 90,000 common shares of Quest to Search over a period of three years and by incurring mining exploration expenditures of \$500,000 in the aggregate over a period of three years. Upon completing all of the payments mentioned above, Quest will have an option to acquire an additional 15% undivided working interest in the mining claims by making a payment of \$75,000 before the fourth anniversary of exploration and option agreement, by issuing an additional 150,000 common shares of Quest to Search on or before the fifth anniversary date of the exploration and option agreement, and by incurring mining exploration expenditures of \$1,250,000 in the aggregate on or before the fifth anniversary date of the exploration and option agreement.

Pursuant to the exploration and option agreement, Quest will enter into an assignment agreement with Search pursuant to which Quest shall transfer and assign to Search nine claims located in Western Labrador in the Province of Newfoundland and Labrador in consideration for 10,000 common shares in the capital of Search. Immediately following the transfer by Quest to Search, Search will transfer these nine claims to Alterra Resources Inc. (“Alterra”) a wholly-owned subsidiary of Search. These nine claims, together with 21 claims already owned by Search comprise the 30 claims that are the subject of the

exploration and option agreement. The 30 mining claims are subject to a 1.5% net smelter return royalty in favor of Search. Quest may, at any time, purchase two-thirds of the 1.5% net smelter return royalty for \$1,000,000.

Exploration Update:

On June 9, 2011, Quest Rare Minerals released results from the winter diamond drill program at Search's wholly owned Strange Lake Property. Highlights of the assays received from four diamond drill holes, totalling 310.3m, are outlined in the summary table below.

Diamond Drill

Hole	ALT11001	ALT11002	ALT11002	ALT11002	ALT11002	ALT11003
From (m)	34.12	19.03	22.00	22.00	28.26	33.53
To (m)	38.67	43.00	36.74	24.00	32.77	40.25
Length (m)	4.55	23.97	14.74	2.00	4.51	6.72
Y	2268	6134	8701	8528	17922	2606
Zr	19492	18067	19365	22477	15415	14528
Nb	2185	2781	3433	5698	3751	3616
La	929	1023	1177	1748	1424	895
Ce	2433	2442	2835	3808	3654	2467
Pr	291	265	308	393	427	282
Nd	1020	1012	1192	1406	1809	1020
Sm	276	362	483	526	914	276
Eu	17	26	35	43	78	17
Gd	252	486	677	703	1423	278
Tb	52	139	200	209	443	70
Dy	375	1072	1534	1560	3276	488
Ho	87	236	332	349	698	105
Er	271	743	1032	1084	2046	341
Tm	44	105	149	158	280	53
Yb	316	641	834	896	1467	334
Lu	44	88	106	114	176	44
LREE	4949	5104	5993	7881	8228	4941
HREE	1458	3536	4897	5115	9887	1728
HREE + Y	3726	9670	13598	13643	27809	4335
TREE	6407	8639	10890	12996	18116	6669
TREE + Y	8675	14774	19592	21524	36038	9276
% HREE	22.8%	40.9%	45.0%	39.4%	54.6%	25.9%
%HREE + Y	42.9%	65.5%	69.4%	63.4%	77.2%	46.7%

Note:	All amounts parts per million (ppm). 10,000 ppm = 1% = 10 kg/tonne
REE	Rare Earth Elements: La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu (Lanthanide Series).
TREE	Total Rare Earth Elements: Add La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu.
LREE	Light Rare Earth Elements: Add La, Ce, Pr, Nd, Sm.
HREE	Heavy Rare Earth Elements: Add Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu.
Y	Y not included in HREE due to relatively low value compared to most Lanthanide series HREE.
%HREE+Y	$\frac{\%(\text{HREE}+\text{Y})}{(\text{TREE}+\text{Y})}$
%HREE	$\frac{\%(\text{HREE})}{(\text{TREE})}$

The drilling program tested an area of surface mineralization known as the A-Zone and located approximately three-km south-southwest of the Corporation's B-Zone. The drill results have confirmed the presence of strong pegmatite-and aplite-style REE mineralization and justify further drill investigation of the area. Drilling shows the mineralization to be a set of relatively flat dipping horizontal sheets. The mineralization has been defined over vertical thicknesses of almost 46.0 m.

The better grades observed in drilling are similar to the Pegmatite-style of mineralization observed on Quest's Strange Lake B-Zone rare earth deposit. Mineralization is composed of a high proportion of pegmatite sheets that are intercalated with unaltered to weakly altered Strange Lake peralkaline granite. Hematite alteration characterizes the better grades of mineralization, extensively developed at the B-Zone, appears to be restricted to the mineralized pegmatites and within a narrow envelope in the adjacent host granite.

Summer 2011 Exploration Program

Plans for upcoming summer work on the property are well advanced and will include exploration drilling, prospecting, geological mapping and rock sampling. Exploration on the Search Option property will operate out of Quest's Strange Lake facilities where construction work is underway to enlarge Quest's exploration camp to accommodate 100 employees, up from the current 55.

Qualified Person:

Dr. Randy Miller, Ph.D., P. Geo, the Company's Vice President Exploration is the Qualified Person responsible for the technical content of this news release. The Company will endeavour to meet high standards of integrity, transparency and consistency in reporting technical content, including geological and assay (e.g., REE) data.

About Search Minerals Inc.

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 an earn-in agreement 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 aid in the recovery of certain metals.

Search Minerals is lead by a management team and board with a proven track record in the mining industry. The Company has a team with deep geological and metallurgical expertise lead by Dr. Randy Miller and Dr. David Dreisinger. The Company is well-funded and has an aggressive exploration program planned for the remainder of 2011.

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

For further information, please contact.

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