



SEARCH
MINERALS

NEWS RELEASE

FOR IMMEDIATE RELEASE: AUGUST 2, 2011

SEARCH MINERALS CONTINUES \$4.1 MILLION EXPLORATION PROGRAM IN PORT HOPE SIMPSON REE DISTRICT, LABRADOR

VANCOUVER, August 2, 2011 – Search Minerals Inc. (“Search” or the “Company”) (TSXV: SMY) is pleased to announce that it will continue detailed exploration programs on six REE prospects and surrounding areas in the Port Hope Simpson REE District, located in South-East Labrador. These programs will focus on prospects discovered in the 2010 exploration program including the **Foxtrot Prospect** in the Fox Harbour volcanic belt, the **Piperstock Hill, Toots Cove, Southern Shore** and **Pesky Hill Prospects** in the HighREE Hills area and **HighREE Island**. The exploration program in the Port Hope Simpson REE District, headed by Dr. Randy Miller, is budgeted at an estimated \$4.1 million.

Highlights:

- *a total budget of \$4.1 million to be spent up to Sept. 1, 2011 on detailed exploration;*
- *39 geological and support personnel operating in the Port Hope Simpson area;*
- *NI 43-101 resource estimate for Foxtrot Prospect is expected in Q4, 2011;*
- *exploration to outline drill targets for fall, 2011, drilling programs.*

EXPLORATION UPDATE

Port Hope Simpson REE District:

The Port Hope Simpson REE District is 135 km long and 4 – 12 km wide, consists of 3,704 claims in 66 licenses and occupies 926 square kilometres. There are a total of eight REE prospects in the District, including: **Rock Rolling Hill, Rattling Bog Hill, Piperstock Hill, Southern Shore, Toots Cove, Pesky Hill, HighREE Island** and **Foxtrot**.

The **Foxtrot Prospect** occurs in the Fox Harbour mineralized belt. **Piperstock Hill, Southern Shore, Toots Cove** and **Pesky Hill** occur in a 13 km mineralized zone known as the HighREE Hills. Both the Fox Harbour and HighREE Hills mineralized zones are considered very prospective for REEs.

Fox Harbour Volcanic Belt (16 licenses; 446 claims)

An estimated \$1.7 million second year (ending Sept. 1, 2011) exploration budget, consisting of an estimated \$1.1 million drilling program (refer to news release, May 25, 2011), and an estimated \$600,000 field exploration program, has commenced at the **Foxtrot Prospect** and the Fox Harbour Volcanic Belt in general. The field/research program at the **Foxtrot Prospect** includes the following to support the NI 43-101 report scheduled for Q4, 2011: a detailed ground magnetic survey, detailed channel sampling and logging, data compilation and analysis, and a detailed outcrop geology map. The Fox Harbour Belt regional exploration program will include a regional ground magnetic survey, channel sampling and logging, a lithochemical sampling and prospecting program, a metallurgical program, and geological mapping. The aim of the regional program is to discover additional Foxtrot-like LREE-Zr-Y-Nb drill targets.



SEARCH MINERALS

HighREE Island Prospect (2 licenses; 13 claims)

An estimated \$130,000 second year (until Sept. 1, 2011) exploration budget has commenced at the **HighREE Island Prospect**. The field/research program at the **HighREE Island Prospect** will include the following: a detailed ground magnetic survey, detailed channel sampling and logging, data compilation and analysis, detailed prospecting and trenching, and a detailed outcrop geology map. The aim of this extensive program, is to determine the origin of the high-grade mineralization observed in outcrop, to locate additional larger showings of high-grade mineralization and to outline exploration drill targets.

HighREE Hills West (3 licenses; 196 claims)

Two REE prospects, **Toots Cove** and **Pesky Hill**, were discovered and geochemically sampled in late 2010 in the HighREE Hills West area (refer to news release, Jan. 23, 2011). An exploration program, with an estimated budget of \$710,000, is currently in progress to characterize the mineralization and define drill targets at these two prospects and to discover additional prospects in the HighREE Hills West area. The program consists of regional and detailed prospecting, detailed mapping, litho-geochemical sampling, and, channel sampling and logging.

HighREE Hills East (5 licenses; 192 claims)

Piperstock Hill and **Southern Shore** are the REE prospects currently found in the HighREE Hills east area (refer to news release, Jan. 23, 2011). These two prospects and surrounding areas will be the focus of an exploration program with a budget of \$270,000. This program will be very similar to that in the HighREE Hills West area. The aim will be to discover other showings in the area and to outline mineralized targets for an exploration drilling program tentatively scheduled for the fall, 2011.

Mary's Harbour East and West (6 licenses; 201 claims & 6 licenses; 215 claims respectively)

A regional and detailed exploration program is currently in progress, consisting of prospecting, litho-geochemical sampling and follow-up channel sampling. The estimated exploration budget is \$730,000 in the Mary's Harbour East and \$270,000 in the Mary's Harbour West area. These programs aim to evaluate the areas for REE mineralization and to identify REE prospects for follow-up work.

Henley Harbour (6 licenses; 659 claims)

The Henley Harbour area was covered by a reconnaissance-prospecting program in 2010. A more extensive prospecting and litho-geochemical sampling program will be carried out in 2011 to better evaluate the area for REE. The planned exploration program will cost an estimated \$290,000. Access to this area is by helicopter and boat.

Port Hope Simpson REE District Totals

The Company will continue to explore the Port Hope Simpson REE District in 2011 with a detailed exploration program that will cost an estimated \$4.1 million. A total of 7 projects, encompassing six prospects, have been identified in the district; each project has been assigned a specific budget, exploration program and personnel. A total of thirty-nine personnel, including geological and support staff, will carry out these programs from the main base in Port Hope Simpson and a secondary base in Mary's Harbour. Local workers from Port Hope Simpson, St. Lewis and Mary's Harbour have been hired to assist in the exploration program. The local road network and close access to the coast has simplified the logistics for many of these programs.

Jim Clucas, President and CEO of Search Minerals notes; *"Following the success of our 2010 season, we have now launched an aggressive exploration program for the 2011 season, which includes drilling and field exploration. Complimenting this program, Search's target is to complete a NI 43 101 compliant estimate on both the Fox Trot property in Port Hope Simpson and the joint-ventured Red Wine Complex by late 2011."*



Qualified Person:

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

Jim Clucas
President & Chief Executive Officer
Joanne C. Jobin
Investor Relations Manager

T: 604-688-6180
E: jimclucas@searchminerals.ca
T: 647-964-2092
E: joannejobin@searchminerals.ca

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.