



Management's Discussion and Analysis ("MD&A")
for the Six Months Ended May 31, 2023

The following information, prepared as of July 28, 2023, should be read in conjunction with the unaudited condensed interim consolidated financial statements of Search Minerals Inc. (the "Company" or "Search") for the six months ended May 31, 2023, together with the audited consolidated financial statements of the Company for the year ended November 30, 2022 and the accompanying Management's Discussion and Analysis (the "MD&A") for that fiscal year. The referenced unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans", "intends", "anticipates", "should", "estimates", "expects", "believes", "indicates", "suggests" and similar expressions.

This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Information concerning mineral resource estimates and the interpretation of drill results may also be considered a forward-looking statement, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed.

It is important to note the following:

- Unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of July 28, 2023.
- Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to, possible variations in mineral resources, labour disputes, operating or capital costs; availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms; failure of equipment or processes to operate as anticipated; and political, regulatory, environmental and other risks of the mining industry.
- Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.
- The preliminary economic assessment includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them to enable them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have a demonstrated economic viability.

For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Risks and Uncertainties."

DESCRIPTION OF BUSINESS

Search Minerals Inc. ("Search") was incorporated on June 7, 2006, under the *Business Corporations Act* of British Columbia and the Company is trading on the TSX Venture Exchange ("TSX-V") under the symbol "SMY.V." On July 7, 2021, Search commenced trading on the OTCQB® Venture Market (the "OTCQB") in the United States operated by the OTC Markets Group Inc. under the stock symbol "SHCMF".

Search is developing Critical Rare Earth Element ("CREE") mineral assets in south-east and central Labrador, Canada. Critical Rare Earth Elements, such as: neodymium, praseodymium, terbium, dysprosium, lanthanum plus zirconium, and hafnium (Nd, Pr, Tb, Dy, La, Zr, and Hf, respectively) are strategic metals that have growing demand, constrained or restricted supply, and are commonly used in innovative technologies.

Search is the discoverer of the St. Lewis – Port Hope Simpson CREE District (Figure 1), a highly prospective CREE belt located in south-east Labrador that is 64 km long. Search owns 100% of two advanced CREE resources called the Deep Fox and Foxtrot Projects and the Fox Meadow, Silver Fox, Fox Valley and Awesome Fox Prospects. In addition, the Company has identified more than 20 other prospects in the District. Several of the prospects are "drill ready" and may provide additional resources.

Search enjoys strong support from the Government of Canada and the Government of Newfoundland and Labrador, both of which have financially supported the development of our proprietary metallurgical process. In addition, Search has built strong relationships with local communities and with the NunatuKavut Community Council who represent the local indigenous people. These factors will help ensure the Deep Fox and Foxtrot project can be brought into production in a timely manner.

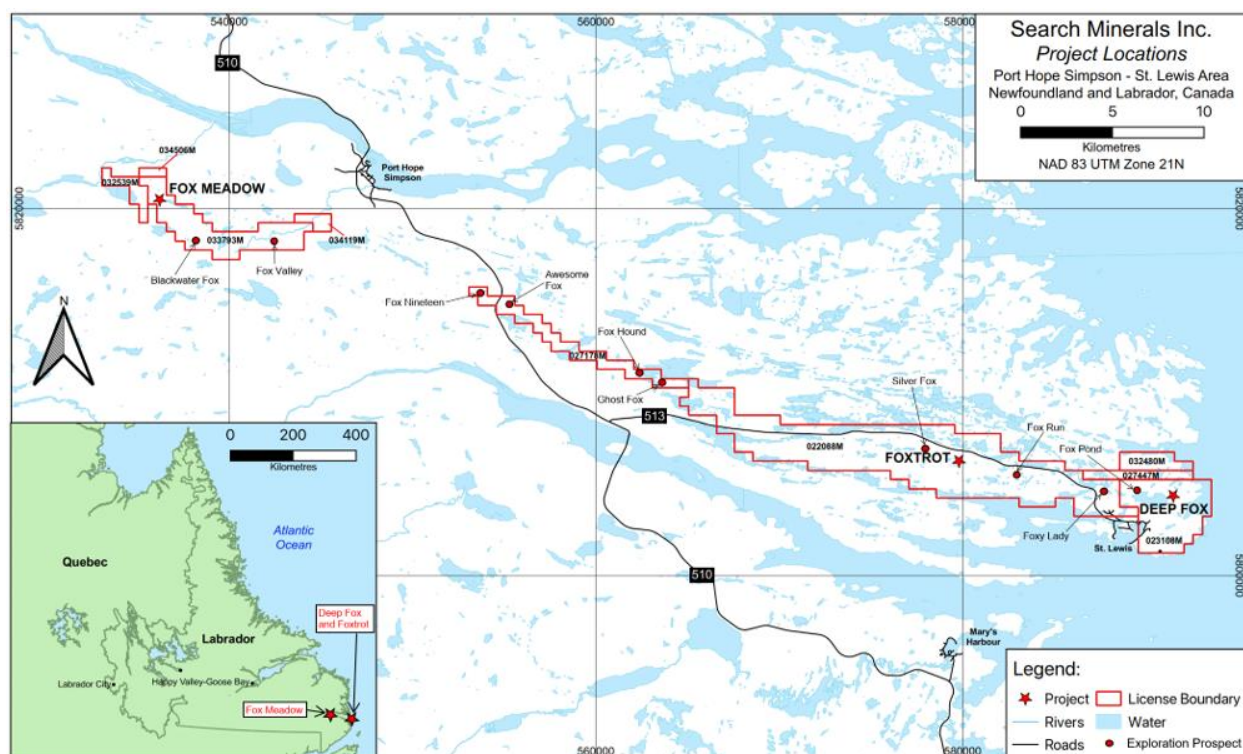


Figure 1: Port Hope Simpson – St. Lewis area Projects and Prospects

Search also maintains mineral licenses for other CREE mineral prospects in Labrador, including claims in the Red Wine area of central Labrador and the Henley Harbour area of south-east Labrador.

Search Minerals developed and owns 100% of the patented Direct Extraction Process technology which was developed to address the REE losses in beneficiation identified in the early work on gravity, flotation, and magnetic separation and to refine the purification processes to ensure a high quality mixed rare earth product for refining.

Having defined a mineable resource and successfully producing refined REE products, the next stage in the evolution of Search Minerals is to advance the development of a mine and primary concentrator starting with the Deep Fox deposit. This operation will provide the REE concentrate for secondary processing at a brown field location on the Island of Newfoundland.

The secondary processing facility on the island of Newfoundland will be advanced in parallel with the development of the mine and primary concentrator in Labrador. It will establish a REE production capacity within the province using hydrometallurgical (direct extraction) and separation (solvent extraction) plants to produce the individual pure rare earth oxides needed for manufacturing metals, alloys and permanent magnets.

PROJECT SUMMARY

Search Minerals Inc. began exploring for Rare Earth Elements (“REE”) near the communities of St. Lewis and Port Hope Simpson in 2009. Early in the exploration cycle it became apparent that the company-discovered NW trending Fox Harbour volcanic belt contained significant quantities of REE, Zr and Hf and had the potential to be a prolific District. The Foxtrot deposit was discovered in 2010 through systematic follow-up of coincident airborne radiometric/magnetic anomalies. More than 20 additional prospects were identified within a 64 km long belt that was staked by Search in 2009-2010.

Search controls a CREE District in south-east Labrador that is road accessible and on/near tidewater. The Company completed three drill programs (2017, 2018, 2021), totaling 12,000m, and produced a new mineral resource estimate at Deep Fox and an updated PEA in July 2022. The 2022 drill program at Deep Fox, totaling 14,000m consisted of infill resource delineation, exploration and geotechnical drilling. A channel sampling program at the Fox Meadow and Fox Valley discoveries was also carried out in 2022. A 2000m maiden (Phase 1) drilling program followed-up the successful channel programs at Fox Meadow – visual mineralization was observed in all drill holes and assays are pending.

Search has developed a proprietary, scalable, hydrometallurgical process to optimize every opportunity to position as a competitive low-cost supplier of CREE well into the future.

On August 27, 2012, as amended on November 13, 2014, the Company entered into a Mining Exploration Activities Agreement with the NunatuKavut Community Council (the “NunatuKavut”), the political representative body of the Inuit of South-Central Labrador. 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 value. The agreement also sets out hiring and business opportunities for NunatuKavut members and communities as well as certain financial considerations. The agreement will continue indefinitely unless one or both parties elect to terminate.

DEEP FOX PROJECT

Deep Fox is located approximately 2.7 km north east of the main dock in the Port of St. Lewis, NL (Figure 1, and Figure 2), and is located 12 km east of the Foxtrot deposit. Deep Fox became Search's second major discovery within the Fox Harbour Volcanic Belt (part of the CREE District) following an initial channel sampling program during the 2014 field season. The Deep Fox project is located atop a hill, nearby the abandoned fishing community of Deepwater Creek.

Deep Fox Project Location

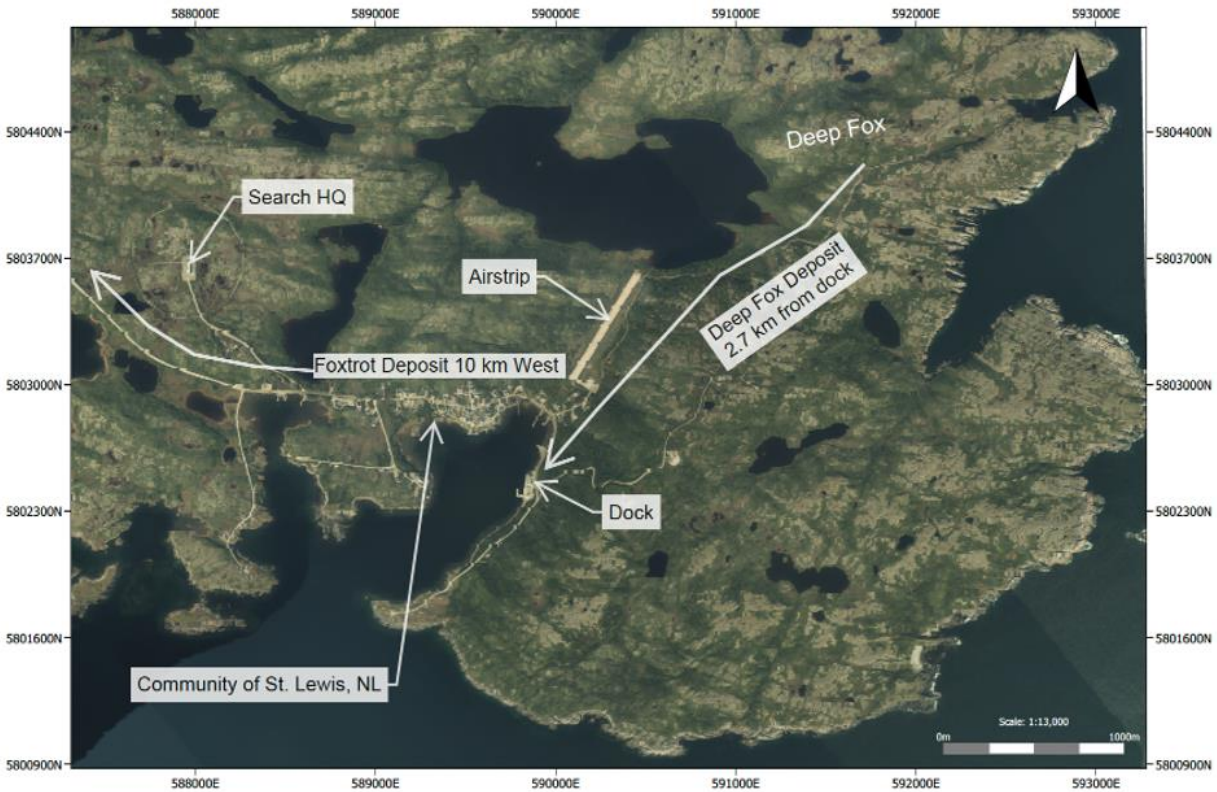


Figure 2: Deep Fox Project Location

The Deep Fox project is accessed via a recently constructed 1.5 km long bush road (Figure 2) beginning near the St. Lewis Airport. The discovery channel at Deep Fox (FDC-14-01; see Figure 3) was used to plan a much more extensive channel sampling program in 2015 in which 16 channels were sampled. A further five infill channels were completed in 2017, four channel extensions completed in 2018, three channels completed in 2019 to support the drill programs and one channel over the site of the bulk sample. A further three channels in 2022 were completed to infill the surface extent of the resource. In total, 44 channels and channel segments have been cut at the Deep Fox project, amounting to 1,100 m of channel, and 1,783 lithogeochemical samples.

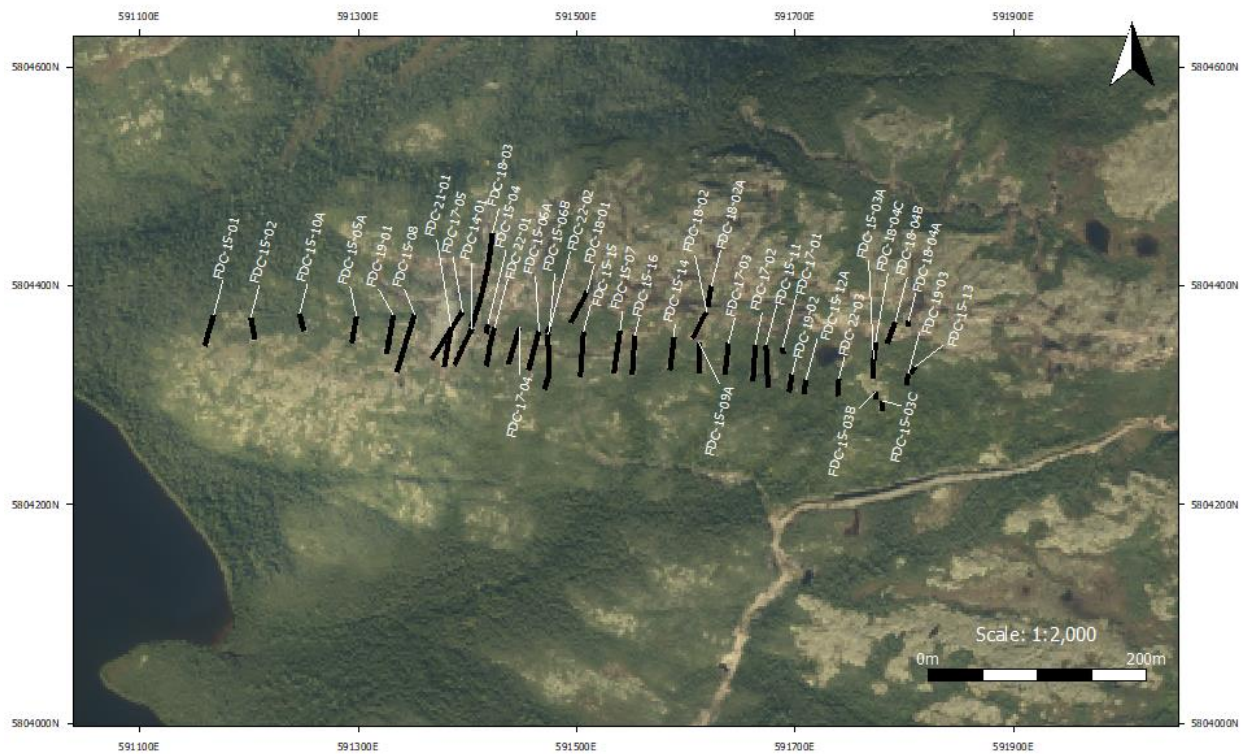


Figure 3: Deep Fox 2014 through 2021 Surface Channel Locations

The 2021 exploration program at Deep Fox consisted of resource definition and exploration diamond drilling, channel sampling, and bulk material sampling. This program focused on infill drilling the resource from the 25 m to 200 m level. A total of 38 drill holes were completed, including four drill holes on the 200 m level which intersected mineralization from 20 – 45 m apparent width (approximately 16 – 36 m true width). The exploration at the 200 m level indicates that mineralization has maintained thickness to this depth, and the deposit continues to be open at depth.

Assays from the 2021 program combined with those from the previous drill and channel programs, outlined a deposit that consists of a high-grade core zone that is flanked to the NW by a medium-grade zone. The high-grade core zone occurs on the surface and currently extends down plunge to a depth of at least 200 m below the surface.

The latest resource estimate for Deep Fox Project incorporates data from 2017, 2018, and 2021 drill programs. This new resource estimate incorporates new REE prices, new REE recoveries, and a new underground/open pit mining scenario and the accompanying NSR values. This resource estimate was used to support the PEA that combined the new Foxtrot and Deep Fox resources.

The Mineral Resource estimate was calculated using a drill hole database consisting of 61 drill holes with a total length of 11,927 m and combined sampled length of 6,526.2 m, and 38 surface channels with a total length of 993.7 m and combined sampled length of 879.7 m. The table below shows the magnet REE (Nd, Pr, Dy, Tb) resource estimate for Deep Fox calculated from data available on December 31, 2021. The 2022 drill program will provide additional data for a new resource estimate expected in 2023.

Classification	Tonnage (000 t)	Grade				
		(ppm Pr)	(ppm Nd)	(ppm Dy)	(ppm Tb)	
			Open Pit			
Indicated	3,906	399	1,482	201	34	
Inferred	1,028	332	1,243	181	30	
			Underground			
Indicated	1,148	378	1,426	203	34	
Inferred	2,269	382	1,443	206	35	
			Totals			
Total Indicated	5,054	394	1,469	202	34	
Total Inferred	3,297	366	1,381	198	33	

Notes:

1. CIM (2014) definitions were followed for Mineral Resources.
2. Open Pit Mineral Resources were reported inside a resource shell at pit discard Net Value cut-off value of \$260/t. Underground Mineral Resources were constrained with mineralization wireframes below the resource shell and validated using underground mining solids based on a Net Value cut-off value of \$335/t. Both cut-off values account for all processing, G&A, refining, and transportation charges. Mining costs were assumed at \$6.50/t ore mined and \$5.00/t waste mined for open pit and \$75.00/t for underground.
3. Net Value was assigned to blocks using metal prices, metallurgical recoveries, payables (as shown in their respective sections of this Technical Report) for each individual element.
4. A minimum mining width two metres was used for both open pit and underground.
5. Bulk density varies from 2.71 t/m³ to 2.92 t/m³.
6. Revenue attributable to Pr, Nd, Dy, and Tb represent 92% of the total revenue.
7. The estimate is of Mineral Resources only and because these do not constitute Mineral Reserves, they do not have demonstrated economic viability.
8. Totals may not add or multiply accurately due to rounding.

On June 3rd, 2022, Search commenced a 14,000 m drilling program. A total of 10,651 m of drilling was dedicated to infill resource development and exploration at Deep Fox, with two objectives: 1) expanding the resource estimate published in July 2022, and 2) upgrading the resource classifications from inferred to indicated and indicated to measured. A total of 3,362 m of drilling was dedicated to the geotechnical and hydrogeological characterization of the Deep Fox resource, with the objective of supporting the continued design of an open pit and underground mine, as well as the Impact Assessment review process.

Mobilization for the 2022 field season began in early May. The exploration team for the 2022 field season consists of 11 geologists, and 12 support staff. The drilling program has been finalized and the drill core has been logged and sampled with assay results pending.

Like the Foxtrot Deposit, the DEEP FOX REE deposit occurs in the Fox Harbour volcanic belt, is hosted by peralkaline felsic volcanic rocks and dips steeply at 70-90° towards the north on surface. The twenty-three drill holes of 2017 and 2018 at DEEP FOX indicated high CREE grades and significant widths both underground and on surface. These are similar to or higher than those found at Foxtrot. The first DEEP FOX mineral resource estimate, based on 2017 and 2018 programs was completed on November 12, 2019. The thirty-eight holes of 2021 program have been combined with the previously drilled holes to provide a new mineral resource estimate (April 11, 2022) for the updated PEA in 2022.

FOXTROT PROJECT

Foxtrot was the company's first major discovery, is located approximately 10 km west of St. Lewis and 12 km west of Deep Fox. It was discovered in 2010 during follow-up prospecting over combined fixed-wing airborne magnetic and radiometric survey anomalies.

The geological model developed for the Foxtrot deposit indicates that peralkaline volcanic rock hosted mineralization observed on surface also occurs at intersection depths (vertically below the surface) of at least 400m (mineralization is open at depth). At Foxtrot the mineralization, both higher and lower grades, dips at 70-90° towards the north and extends continuously from the surface to the deepest intersection; specific geological units can be followed from the surface to each progressively deeper drill hole.

The detailed exploration program on the Foxtrot property began in 2010, with prospecting and channel sampling. An extensive channel sampling program commenced in 2010 and continued through 2015, consisting of 36 channels in 2010, 36 channels in 2011, five channels in 2012, two channels in 2014, and 25 channels in 2015.

Drilling was conducted in three phases from 2010 to 2012:

- October 2010 to February 2011 (24 drill holes)
- May 2011 to July 2011 (19 drill holes)
- October 2011 to February 2012 (29 drill holes)

The Mineral Resource estimate was calculated using a drill hole database consisting of 119 drill holes and channel samples, totaling 19,399 m, with 93 of the holes/channels (16,107 m) located within the estimated Mineral Resources. Mineral Resources for the magnet REE at Foxtrot using all drill hole and channel sample data available as of December 31, 2021 are outlined below.

Classification	Tonnage (000 t)	Grade (ppm Pr)	(ppm Nd)	(ppm Dy)	(ppm Tb)
Open Pit					
Indicated	4,577	366	1,372	175	30
Inferred	413	322	1,202	173	29
Underground					
Indicated	5,462	365	1,366	177	30
Inferred	2,593	379	1,413	177	31
Totals					
Total Indicated	10,040	366	1,368	176	30
Total Inferred	3,006	371	1,384	177	30

Notes:

1. CIM (2014) definitions were followed for Mineral Resources.
2. Open Pit Mineral Resources were reported inside a resource shell at pit discard Net Value cut-off value of \$260/t. Underground Mineral Resources were constrained with mineralization wireframes below the resource shell and validated using underground mining solids based on a Net Value cut-off value of \$335/t. Both cut-off values account for all processing, G&A, refining, and transportation charges. Mining costs were assumed at \$6.50/t ore mined and \$5.00/t waste mined for open pit and \$75.00/t for underground.
3. Net Value values were assigned to blocks using metal prices, metallurgical recoveries, payables (as shown in their respective sections of this Technical Report) for each individual element.
4. A minimum mining width two metres was used for both open pit and underground.
5. A bulk density of 2.71 t/m³ was used.
6. Revenue attributable to Pr, Nd, Dy, and Tb represent 92% of the total revenue.
7. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
8. Totals may not add or multiply accurately due to rounding.

FOX MEADOW PROSPECT

The Fox Meadow discovery is located 11 km west of Port Hope Simpson and 1 km southeast of a graveled forest access road, which extends southwestward from the paved Trans Labrador Highway. Mineralization coincides with two overlapping magnetic anomalies approximately 1.2 km long and 250 m wide. Geological mapping and channel sampling indicate that the mineralization occurs in a band up to 175 m wide and at least 790 m long. Medium- to high-grade mineralization within this band is up to 42 m wide.

Fox Meadow was originally discovered in 2012 by a small channel program on outcrop that exhibited magnetic/radiometric anomalies. Subsequent channels in 2013 and 2016 discovered two mineralized zones, one to

the south and one to the north, that exhibited low to high grade CREE mineralization. Trenching by hand indicated that mineralization also occurred in overburden-covered treed areas adjacent to the outcrop channels.

The observed surface dimensions of the high-grade mineralization at Fox Meadow are now larger than both Foxtrot Deposit (10-14m wide and 400m long) and Deep Fox Prospect (up to 34m wide and 500m long). CREE channel sample assays from Fox Meadow are similar to those at Deep Fox and Foxtrot, affirming that Fox Meadow is the third substantial Foxtrot-like mineralized zone in the District.

The 2018 channel program consisted of trenching with a mini-excavator in overburden-covered treed areas. Two 2016 channels were extended to the south and north of the exposed outcrop. Results from the north indicated that mineralization disappears in a northerly direction. Results from the south discovered medium- to high-grade mineralization. One channel (FMC-18-01) gave a mineralized zone of medium- to high-grade mineralization of about 32m wide. The second channel (FMC-18-02) gave medium- to high-grade mineralization for the final 11 m of the channel; the mineralized zone extends under the overburden to the south of the channel.

Search's Summer 2019 exploration program included a Remotely Piloted Aerial System (RPAS, or drone) magnetometer survey and another channelling program. The RPAS magnetometer survey results indicated that the CREE mineralization at Fox Meadow is over 650 m long. When the additional channelling completed in 2019 (totalling 308.1 m in 6 channels), is compiled with previous channels, the mineralized zone appeared to have a strike length of at least 790 m and a width of up to 175 m. In 2019, the previous north and south mineralized zones were joined as two composite channels of 124 m and 112 m that span the combined zones. Most of the new channels occurred in overburden-covered treed areas that required trenching with a mini-excavator to expose bedrock.

Highlights of the 2019 channel program:

- Fox Meadow (all true widths) exhibits higher grade mineralization (> 190 ppm Dy) measuring at least 21.2-46.0 m over a 200 m strike length; and, measured at least 7.1 m to 46.0 m over a 450 m strike length;
- Channel assay highlights (all true widths):
 - FMC-19-01: 244 ppm Dy, 1098 ppm Nd, 270 ppm Pr, 838 ppm La over 15.79 m;
 - FMC-19-02: 234 ppm Dy, 1184 ppm Nd, 296 ppm Pr, 943 ppm La over 7.8 m;
 - FMC-19-03: 221 ppm Dy, 990 ppm Nd, 241 ppm Pr, 763 ppm La over 10.84 m;
 - FMC-19-04: 269 ppm Dy, 1486 ppm Nd, 370 ppm Pr, 1126 ppm La over 4.61 m;
 - FMC-19-05/06: 220 ppm Dy, 1456 ppm Nd, 373 ppm Pr, 1399 ppm La over 3.23 m.
- FMC-19-01 contains 85.1 m higher grade mineralization over its 123.6 m length;
- Fox Meadow CREE mineralization is similar to Deep Fox and Foxtrot; becoming a third potential CREE deposit in the Port Hope Simpson – St. Lewis CREE District of south-east Labrador.

In 2020, a trenching/channeling program, the Remotely Piloted Aerial System (RPAS, or drone) magnetic survey (2019) and mapping/prospecting outlined two mineralized zones on the surface at Fox Meadow: a NW zone and SE zone, which when combined is at least 790m long.

The 2020 channel/trenching program consisted of 4 channels: one new channel spanning the NW zone of mineralization, one channel extending a previous channel to span the SE zone and two channels to extend another previous channel in the NW zone.

Highlights of the Fox Meadow 2020 channel program:

- Channel assay highlights (all true widths):
 - Section FMC-20-01 (NW): 11,933 ppm Zr, 237 ppm Dy, 1,443 ppm Nd, 267 ppm Hf, over 8.17m;
 - Section FMC-20-03 (SE): 12,157 ppm Zr, 208 ppm Dy, 1,165 ppm Nd, 269 ppm Hf over 16.17m;
 - Section FMC-20-04 (NW): 17,378 ppm Zr, 259 ppm Dy, 1,552 ppm Nd, 372 ppm Hf over 8.91m;
- Current channel program indicates that the NW mineralized zone is at least 175m wide and 425m long, and, the SE mineralized zone is at least 116m wide and 365m long; 790m combined length;
- Fox Meadow combined (NW and SE zones) surface extent is much greater than the Foxtrot and Deep Fox surface extents, which are 350-450 m long and up to 40m thick.

The 2021 channel program consisted of 3 new channels and extension of three previous channels for a total of 545m.

Highlights of the Fox Meadow 2021 channel program:

- Channel assay highlights (all true widths):
 - FMC-21-02B (SE zone): 30,190 ppm Zr; 272 ppm Dy; 1,592 ppm Nd; 702 ppm Hf, over 4.20 m;
 - FMC-21-02B (SE zone): 14,410 ppm Zr; 195 ppm Dy; 1,051 ppm Nd; 322 ppm Hf over 25.85 m; and
 - FMC-21-03 (SE zone): 10,704 ppm Zr; 213 ppm Dy; 1,212 ppm Nd; 246 ppm Hf over 6.71 m

Results indicate that the NW mineralized zone is at least 175 m wide and 425 m long, and the SE mineralized zone is at least 154 m wide and 415 m long; with a combined length of 840m. This combined surface expression is significantly longer and wider than the surface expressions of the nearby and related Foxtrot and Deep Fox Resources. The Fox Meadow mineralization is similarly hosted by peralkaline volcanic rocks and exhibits similar grades of the REE magnet materials (Nd, Pr, Tb and Dy) as Foxtrot and Deep Fox. Visual observations indicate that the mineralization is still open to the SW and the south.

The 2022 channel program consisted of 2 new channels and 3 extensions to previous channels for a total of 216.31m. Visual mineralization and rock types similar to previous channels was observed in all channels and extensions; assays are pending. The two new channels expanded the known visible mineralization to the SW increasing the strike length of the mineralization an additional 100m to about 940m long. Mineralization is still open to the SE and the NW along strike.

The Phase 1 Fox Meadow drill program in late 2022 consisted of 14 drill holes totaling 1965m. The program was designed to test for REE mineralization, similar to that sampled in channels, at depth. Two tiers of drill holes, one at or near the northern contact of the mineralization and one to the south halfway through the surface extent of the mineralization were drilled. Holes were drilled along about 300m of the approximately 840 of known mineralized zone strike length. Mineralization was observed in all drill holes; assays are pending.

SILVER FOX PROSPECT

The Silver Fox discovery is located 14 km west of St. Lewis, 2 km west of Foxtrot and about 1 km south of an all-season graveled road. Geological mapping and channel sampling indicate that the mineralization occurs in a low- to medium-grade CREE band up to 9 m wide and at least 1,100 m long; this mineralized zone is thinner than the nearby Foxtrot zone and the other two larger CREE prospects. However, Zr + Hf values at Silver Fox are about twice those of the three major CREE mineralized zones/resources. Silver Fox's Zr + Hf mostly occurs in the mineral zircon; this mineralization-type is being evaluated as a Zr + Hf mineralized zone with minor LREE (Nd, Pr).

Silver Fox was originally discovered in 2012 by a small channel program on outcrop that exhibited magnetic/radiometric anomalies. Subsequent channels in 2018 and 2019 outlined a thin mineralized zone that gave low to medium grade CREE mineralization and high-grade Zr and Hf mineralization. This mineralized zone stretches over 650m of strike length and occurs about 2 km west of the Foxtrot Deposit.

Channelling in 2012 and 2018 consisted of five channels that outlined two zones along strike from each other that were separated by an outcrop poor zone. The 2019 channel program, using a mini excavator to expose bedrock to extend one channel and make three more channels between the channels from the previous programs.

The Silver Fox mineralized zone contains low to medium grade CREE mineralization, when compared to Foxtrot, Deep Fox and Fox Meadow, however it has much higher zirconium and hafnium values than these other zones.

Highlights of the 2019 Silver Fox channel program:

- Silver Fox (all true widths) exhibits high grade Zr (Hf, Nd, Pr, Dy, Tb) mineralization ranging from 3.63 to 8.83m wide over 650m strike length; Channel assay highlights (all true widths):
 - FSC-19-04: 26,389 ppm Zr, 110 ppm Dy, 1494 ppm Nd, 409 ppm Pr, over 7.14m;
 - FSC-18-01: 28,965 ppm Zr, 96.7 ppm Dy, 1249 ppm Nd, 348 ppm Pr over 6.49m;
 - FSC-12-02: 25,466 ppm Zr, 89.1 ppm Dy, 1281 ppm Nd, 348 ppm Pr over 8.83m;

The 2020 trenching/channeling program, consisting of seven channels, coincident with the mapping and prospecting work indicates that the surface expression of this mineralized zone is up to 8.8m wide and 1,120m long. The 2020 program consisted of two infill channels in areas of poor outcrop, two channels to explore to the west of previous channels, and two channels to explore to the east of previous channels and the extension of one previous channel. This program identified two thicker high grade Zr (Hf) mineralized zones: a 550 m long West Zone and a 180 m long East Zone. Mapping traced this stratigraphy over 2 km eastward to the Foxtrot deposit.

Highlights of the 2020 Silver Fox channel program:

- Silver Fox (all true widths) exhibits high grade Zr (Hf, Nd, Pr, Dy, Tb) mineralization ranging from 3.00 to 8.83 m wide over two zones: East Zone 550 m long and West Zone 180 m long;
- Channel assay highlights (all true widths):
 - FSC-20-01: 23,229 ppm Zr, 99.3 ppm Dy, 1222 ppm Nd, 570 ppm Hf, over 6.51m;
 - FSC-20-02: 24,308 ppm Zr, 87.4 ppm Dy, 1212 ppm Nd, 582 ppm Hf over 7.64m;
 - FSC-20-04: 22,949 ppm Zr, 106 ppm Dy, 1337 ppm Nd, 596 ppm Hf over 6.38m;

Work conducted between 2012 – 2020 in the Silver Fox area confirms that the prospect contains Zr (Hf) values much higher than any other CREE resource (Foxtrot and Deep Fox) or mineralized zone (Fox Meadow and Awesome Fox) in south-east Labrador. Additional metallurgical work is required to determine the feasibility of producing Zr, Hf and magnet REE from this mineralization.

AWESOME FOX PROSPECT

The Awesome Fox was originally discovered in 2012 and channeled in 2013 and 2014. A RPAS magnetometer survey in 2019 outlined a continuous magnetic anomaly on the property that contained all previous channels. The 2020 channel program was designed to test the anomaly on the property. Seven channels were trenched and sampled in areas of little or no outcrop. Assays indicate that the mineralized zone is at least 850m long and from 4-43m thick; includes high grade subzones 3-4m thick.

This Foxtrot-like mineralization has many characteristics similar to Fox Meadow: 1) low U and Th values, 2) significant High-Zr Pantellerite zones, 3) magnetite-bearing and magnetite-absent mineralized zones, and, 4) relatively large dimensions. Also, like Fox Meadow, it appears that many more channels and extensions to previous channels are required to more accurately define the dimensions of the mineralized zone.

Additional channels and extensions to previous channels are required to better define the surface extent of the known medium- to high-grade mineralization; an infill channel program is planned for a future exploration season. Mineralization is hosted by felsic peralkaline volcanic rocks similar to those at the nearby Foxtrot and Deep Fox deposits, and the Silver Fox and Fox Meadow mineralized zones.

Highlights of the 2020 channel program at Awesome Fox:

- The 2020 and previous channel programs indicate that mineralization within the RPAS magnetic anomaly is at least 850m long and 4-43 m thick;
- Channel assay highlights (all true widths):
 - Section FMC-20-02: 11,146 ppm Zr, 247 ppm Dy, 1,533 ppm Nd, 379 ppm Pr, over 3.34m;
 - Section FMC-20-03: 17,079 ppm Zr, 198 ppm Dy, 1,191 ppm Nd, 306 ppm Pr over 4.31m;
 - Section FMC-20-07: 14,562 ppm Zr, 211 ppm Dy, 1,142 ppm Nd, 298 ppm Pr over 3.97m;
- Channels outline several medium- to high-grade zones within low-grade mineralization.

RED WINE CREE DISTRICT, CENTRAL LABRADOR

The Red Wine property is located approximately 80 km north-east of Churchill Falls, Labrador and is 100% owned by Search Minerals. On June 28, 2015, the Company purchased Great Western Minerals Group Ltd.'s ("GWMG") 50% interest in the Red Wine Property for \$20,000. GWMG had acquired its interest in the Red Wine Property pursuant to an option agreement between the Company and GWMG dated July 23, 2010.

The district can be subdivided into two areas: the northern area that has potential for light rare earth elements (LREE: Nd, Pr), Be and Nb and the southern area that has potential for heavy rare earth elements (HREE: Dy, Tb), Nd, Pr, Zr and Hf. The northern area contains the Mann #1 and Two Tom Lake prospects and the southern area contains the Merlot and Narnia Hill prospects.

Two Tom Lake

The Two Tom Lake option encompasses Nb-Be-LREE (Nd, Pr) mineralization hosted in a peralkaline syenite and related volcanic rocks. Part of this mineralization was drilled in 2010-2011 to produce a low quality 43-101 resource.

The two licenses of the Two Tom Lake option discussed below were visited in 2021 to obtain grab samples, to observe previously cut channels and to sample/log some drill core from the property.

A minimal exploration program was carried out on the option in 2022. This program consisted of mapping, prospecting and grab sample collection. The known mineralized zone, defined by the 2010-2011 drill program has been extended by at least 200m to the SE. An extensive channel program is required to sample mineralization at the surface. A Phase 2 drilling program of about 5000m is recommended to infill the previous drilling programs to determine the subsurface extent of the mineralization and to produce a more robust 43-101 resource estimate that results in indicated mineral resources. In addition, preliminary metallurgical bench scale investigations are required, using channel and/or drill core sample, to determine the potential of producing Nb, Be and LREE products.

Mann #1

This property consists of the Mann #1 option, discussed below, and two additional licenses staked around the Mann#1 option.

This showing has Nb-Be-LREE (Nd, Pr) mineralization that is similar to that at the Two Tom Lake project. Historical work in 2010-2011 consisted of channel sampling and a small (6 hole) drilling program.

The 2021 exploration program on these licenses and the optioned property consisted of grab samples on the new licenses and observation of the previous work on the option property including extensive channels and logging/observation/sampling of historic drill core from the property.

The 2022 minimal exploration program consisted of channel sampling on the property and data compilation; assays are pending.

Narnia Hill

The Narnia Hill Project in the district consists of License 025298, staked in 2009, and new Licenses 032428, 032586 and 032704, staked in early 2021. The 2021 program looked for REE mineralization associated with peralkaline volcanic rocks in/near a volcanic vent. Mapping was carried out on parts of two licenses and several small channel samples were obtained from the 4 licenses of this project. Channel sampling was carried out in 2022; assays are pending.

Merlot

The Merlot Project consists of the north central part of License 013144, staked in 2009, and new Licenses 032044, 032427 and 032588 staked in early 2021. The 2021 program consisted of prospecting, mapping, grab sampling and channel sampling to expand the extent of the known Merlot-type heavy REE peralkaline pyroxenite-hosted mineralization. Mapping and sampling on Licenses 013144 and 032044 indicate that there are several mineralized zones on both licenses that require further exploration work including trenching, channeling, mapping and sampling in 2022-23.

Merlot-type REE mineralization has also been reported in new License 032427, staked in early 2021. The 2021 program's focus was on obtaining grab samples for further evaluation.

In 2022, a mapping, prospecting and channel sampling program was carried out in the Merlot area. Five channels, totaling 46m, were cut on the mineralized veins mapped in the area. Mapping indicates that a series of mineralized veins, sampled in 2011 and 2022, are complexly folded and occur over an area of about 400m by 250m; assays from the new channels are pending.

Red Wine CREE District Option Agreements

The Company signed two new option agreement for properties within the Red Wine District as follows:

Option Agreement – Two Tom Property

On June 14, 2021, the Company entered into an option agreement (the “Option Agreement”) with United Gold Inc, Aubrey Budgell and Donna Lewis (the “Vendors”) for an option to acquire an undivided 100% interest in and to certain claims known as the Two Tom Property (the “Two Tom Property”).

The Two Tom Property consists of two licenses (027378M and 016522M) totaling 16 claims

Under the terms of the Option Agreement, the Company may earn the undivided 100% interest in the Two Tom Property by making aggregate cash payments of \$200,000 and by issuing an aggregate of 1,600,000 common shares of the Company over a period of three years as follows:

- pay \$40,000 (paid) and issue 400,000 common shares on the acquisition date (issued);
- pay \$50,000 (paid) and issue 400,000 common shares on or before July 2, 2022 (issued);
- pay \$50,000 and issue 400,000 common shares on or before July 2, 2023. The Company and the Vendors agreed to postpone delivery of the cash and shares due July 2, 2023. The Vendors have the right to demand payment of the cash and issuance of the shares at any time; and,
- pay \$60,000 and issue 400,000 common shares on or before July 2, 2024.

The Vendors were granted a 3.0% net smelter return royalty. The Company may, at any time, purchase 2.0% of the net smelter return royalty for \$2,000,000.

Letter Agreement – Mann Property and Two Tom Property claim

On June 15, 2021, the Company entered into a binding letter agreement (the “Letter Agreement”) with Roland Quinlan and Eddie Quinlan (the “Vendors”) for an option to acquire an undivided 100% interest in and to certain claims known as the Mann#1 claims (the “Mann Property”) and another claim proximal to the Two Tom Property.

The Mann Property consists of license 027380M (4 claims, 1 square km) and the Two Tom Property consists of license 027384M (16 claims, 5 square km).

Under the terms of the Letter Agreement, the Company may earn the undivided 100% interest in the claims by making aggregate cash payments of \$200,000 and by issuing an aggregate of 1,600,000 common shares of the Company over a period of four years as follows:

- pay \$20,000 (paid) and issue 400,000 common shares on the acquisition date (issued);
- pay \$30,000 (paid) and issue 400,000 common shares on or before July 2, 2022 (issued);
- pay \$60,000 and issue 400,000 common shares on or before July 2, 2023. The Company and the Vendors agreed to postpone delivery of the cash and shares due July 2, 2023. The Vendors have the right to demand payment of the cash and issuance of the shares at any time;
- pay \$60,000 and issue 300,000 common shares on or before July 2, 2024; and,
- pay \$30,000 and issue 100,000 common shares on or before July 2, 2025.

The Vendors were granted a 3.0% net smelter return royalty. The Company may, at any time, purchase 2.5% of the net smelter return royalty for \$2,000,000.

Resource Estimate

On April 11, 2022, Search announced an updated Mineral Resource Estimate for the Deep Fox and Foxtrot projects. The Mineral Resource Estimate was prepared by SLR Consulting (Canada) Inc (“SLR”), and the Technical Report was filed on SEDAR on July 22, 2022.

The Mineral Resource estimate for the Deep Fox project incorporates the newly received results from the 2021 drill program, new metallurgy recovery data, and updated Rare Earth Element price forecasts. The updated Foxtrot resource estimate is based on the previous drill programs, associated channel programs, new metallurgy recovery data, and updated Rare Earth Elements price forecasts. The resource estimates for both properties are based on an open pit/underground (OP/UG) mining scenario and forms the basis for the 2022 Preliminary Economic Assessment (“PEA”). A summary of the Mineral Resource estimate for Deep Fox and Foxtrot (as of December 31, 2021) is outlined below:

Mineral Resource Classification	Tonnage (000 t)	Grade			
		Pr (ppm)	Nd (ppm)	Dy (ppm)	Tb (ppm)
Open Pit					
Indicated	8,483	381	1,422	187	32
Inferred	1,441	329	1,231	179	30
Underground					
Indicated	6,611	368	1,376	182	31
Inferred	4,862	380	1,427	191	33
Totals					
Total Indicated	15,094	375	1,402	185	32
Total Inferred	6,303	369	1,382	188	32

Notes:

1. CIM (2014) definitions were followed for Mineral Resources.
2. Open Pit Mineral Resources were reported inside a resource shell at pit discard Net Value cut-off value of \$260/t. Underground Mineral Resources were constrained with mineralization wireframes below the resource shell and validated using underground mining solids based on a Net Value cut-off value of \$335/t. Both cut-off values account for all processing, General and Administration (G&A), refining, and transportation charges. Mining costs were assumed at \$6.50/t ore mined and \$5.00/t waste mined for open pit and \$75.00/t for underground.
3. Net Value was assigned to blocks using metal prices, metallurgical recoveries, payables (as shown in their respective sections of the Technical Report) for each individual element.
4. A minimum mining width two metres was used for both open pit and underground.
5. Bulk density varies from 2.71 t/m³ to 2.92 t/m³.
6. Revenue attributable to Pr, Nd, Dy, and Tb represents 92% of the total revenue.
7. The estimate is of Mineral Resources only and because these do not constitute Mineral Reserves, they do not have demonstrated economic viability.
8. Totals may not add or multiply accurately due to rounding.

Preliminary Economic Assessment (PEA)

On June 7, 2022, Search Minerals announced the key financial metrics of a Preliminary Economic Assessment (“PEA”) for the development of its Deep Fox and Foxtrot CREE deposits located in Labrador, Canada, and the establishment of a Hydrometallurgical (direct extraction) processing facility on the Island of Newfoundland.

The PEA was prepared by SLR, and the technical report relating to the PEA was filed on SEDAR on July 22, 2022.

PEA Key Financial Metrics:

- The project Net Present Value (NPV) is \$2.23B (before-tax) and NPV of \$1.31B (after-tax), at an 8% discount rate;
- The pre-tax Internal Rate of Return (IRR) is 55.3%, and the after-tax IRR is 41.5%;
- The pre-tax capital payback is 1.5 years and after-tax capital payback is 1.8 years from start of production;

- Initial capital costs: \$422M (includes \$61M contingency);
- Life of Mine: 26 years;
- Annual mining production: 720,000 tonnes (at 2,000 tonnes per day);
- Net value: \$756 per tonne (net of process recoveries and payability terms);
- Operating cost: \$345 per tonne (including third party separation charges); and
- The price for Magnet Rare Earth Oxides used:
 - Neodymium oxide: USD\$212/kg;
 - Praseodymium oxide USD\$201/kg;
 - Dysprosium oxide USD\$587/kg; and
 - Terbium oxide USD\$2,493/kg.

Note: Unless otherwise indicated all values are expressed in CDN\$, Exchange rate CDN\$1 = US\$0.80

Processing Technology

Search is advancing processing technology for Deep Fox and Foxtrot utilizing various proven magnetic, direct, and solvent extraction methods to create initial REE concentrates, REE oxides, and individual element REE oxides. Initial work was initiated at SGS Canada (Lakefield) (“SGS”) in 2012 with a bench scale study, followed by an initial Direct Extraction (“DX”) Pilot Plant completed in 2016.

A further program of bench scale and Pilot Plant optimization using the patented Search Direct Extraction Process was successfully completed in March 2020. The optimization program produced both a 58% Rare Earth Oxide (REO) mixed rare earth carbonate concentrate, and a 99% pure mixed REO concentrate.

Search announced in April 2021 that it had completed a subsequent program of metallurgical work on magnetic concentration of material from Foxtrot, Deep Fox, and Fox Meadow. This program resulted in the further optimization of the processing circuit via utilizing various magnetic concentration techniques prior to initiating the Direct Extraction process. This magnetic separation work resulted in the production of upgraded REE concentrates (and iron oxide concentrates), significantly reducing the amount of material that needs to be treated by the Direct Extraction chemical process.

The materials produced via this process are low in key impurities and suitable for REE refining and separation to produce individual REOs and ultimately metallic products such as alloys and magnet materials. The production of the mixed carbonate and/or the mixed oxide concentrate samples can be obtained from either the Foxtrot or Deep Fox material. Search will continue to work with separation companies, refineries, and potential off-take partners for further processing to high value separated rare earth oxides, metals and magnet materials.

On February 6, 2022, Search announced the commencement of the next stage of metallurgical work, utilizing a 52.9 tonne, and 19.8 tonne bulk material sample from the surficial outcrops of Deep Fox and Foxtrot, respectively. This work was carried out by SGS with results announced in a news release September 16, 2022. The results of the testing will be used as part of our “scale up” to a full commercial magnetic separation plant. An outline of the planned phased approach for the Deep Fox and Foxtrot Processing Technology is outlined below:

Phase 1 Program – Magnetic Concentration (“MC”) - Completed:

The MC process uses conventional and proven technology and involves initial crushing and grinding of the bulk samples and processing via a series of magnetic separation devices to produce:

1. An initial magnetic concentrate, by utilizing a Low Intensity Magnetic Separation (LIMS) process. This concentrate contains predominantly magnetite (an iron oxide mineral);
2. A secondary magnetic concentrate, by utilizing a Wet High Intensity Magnetic Separation (WHIMS) process. This secondary concentrate retains the REE values extracted from the bulk material, and;
3. A final non-magnetic material fraction, which contains the non-magnetic material, including the mineral zircon (which contain the Zr and Hf concentrations).

Search completed the **PHASE 1** MC program at SGS, utilizing the 52.9 tonne bulk sample from Deep Fox, and the 19.8 tonne bulk sample from Foxtrot. The production rate for the testing was approximately 500 kg of material per hour. The initial LIMS concentrate will be evaluated for sale as a potential iron ore concentrate. Two WHIMS

concentrates were produced comprising a total of 18-20 tonnes of REE concentrate material. These REE concentrates will be used as material for our **PHASE 2** program to further study and scale up the Direct Extraction Process for REE recovery. Finally, the non-magnetic concentrate will be studied for Zr and Hf recovery by flotation.

The results of the magnetic separation pilot plant on the two bulk samples were in line with expectations.

Highlights of the program were,

- The total rare earth recoveries were high, at 88-90% for Deep Fox and 84-85% for Foxtrot.
- The rare earth concentrate grades were upgraded from ~1% TREO + Y to 3.2% TREO + Y for Deep Fox and 3.7% TREO + Y for Foxtrot.
- The pilot plant testing demonstrated a good magnetic separation performance at a coarser primary grind size ($P_{80} \sim 100 \mu\text{m}$) than that of the batch tests.
- The metallurgical performance was steady over the pilot plant operation.
- A total of ~13.8 tonnes of Deep Fox Rare Earth Concentrate and ~5.1 tonnes of Foxtrot Rare Earth Concentrate were produced.
- The Deep Fox and Foxtrot Rare Earth Concentrates will be used in Search's Phase 2 development program to extract and recover high grade/high purity mixed rare earth concentrate product using Search's Direct Extraction Technology.
- A total of ~1.74 tonnes of Deep Fox LIMS concentrate grading 94.9% Fe_2O_3 and ~1.2 tonnes of Foxtrot grading 87.4% Fe_2O_3 were recovered and will be studied as a potential by-product, ie: iron ore.
- Approximately 5 tonnes of non-magnetic material were collected after the magnetic separation. This material will be characterized for dry-stackable tailings disposal and possible by-product use as a sand material for the construction industry.

Phase 2 Program – Direct Extraction (“DX”): The **PHASE 2** DX program is a key component for securing Newfoundland and Labrador's place in the global REE supply chain. Search's DX process is designed to efficiently and economically process the material produced via the WHIMS magnetic concentration (produced in Labrador) and produce further concentrated mixed REOs, which are required to produce individual oxides used in the production of permanent magnets. Bench and Pilot Plant scale testing has been completed. Demonstration scale production will be achieved during **PHASE 2**.

Phase 3 Program – Solvent Extraction (“SE”): The material produced in the **PHASE 2** process will then be used for a **PHASE 3** program. The **PHASE 3** SE program will provide further separation into individual element REOs of the permanent magnet materials. These are the key elements which create the value in the rare earth element supply chain. Upon producing the individual element REOs, Search will demonstrate the transformation of the permanent magnet oxides into metal.

Search has also completed initial metallurgical work on material from the Silver Fox prospect. Silver Fox contains Zr and Hf concentrations much higher than either of the Foxtrot or Deep Fox CREE resources, or mineralized zones (Fox Meadow and Awesome Fox) in south-east Labrador. The testing of material from Silver Fox was carried out by SGS, utilizing the same Magnetic Concentration processes (LIMS and WHIMS) that were developed for Deep Fox and Foxtrot. The secondary magnetic WHIMS concentrate contained over 7% total REO. The remaining non-magnetic WHIMS material was then tested by floatation (rougher and cleaner) and produced a 43% ZrO_2 concentrate (as zircon).

CORPORATE DEVELOPMENTS

On February 7, 2023, the Chief Operating Officer, Todd Burlingame, provided his notice of resignation. On February 10, 2023, the Chief Executive Officer, Greg, Andrews, was terminated without cause. Mr. Leo Power, Chairman and a director of the Company, was appointed interim President and Chief Executive Officer of the Company. Mr. Andrews settlement of the termination on a without cause basis was completed on March 3, 2023 and Mr. Andrews resigned from his position as Director of the Company. As per Mr. Andrews contract of employment, he received twelve months compensation as severance which was paid.

On May 8, 2023, the former Chief Operating Officer, Todd Burlingame, was appointed as Chief Executive Officer and Director of the Company with Mr. Leo Power stepping down from his role as Interim President and CEO but continuing on as Chairman of the Board of Directors. On June 27, 2023, Mr. Todd Burlingame resigned as CEO and Director and on June 28, 2023, Mr. Leo Power resigned as Chairman of the Board. The current Directors of the Company are Jocelyn Bennett, George Molyviatis and Dr. David Dreisinger.

The Company entered into a non-binding term sheet dated March 6, 2023, pursuant to which the Company would receive a secured term loan (the "Loan") in the amount of \$2,500,000 million from InCoR Holdings Limited (the "Lender" or "InCoR"). The Loan would have a 2-year term and will bear interest at a rate of 22.5% per annum. The Company would have the right to pay back the principal plus accrued interest on the Loan to the Lender at anytime after the one-year anniversary of the Loan. The Company would issue 6,250,000 bonus shares at the fair value of \$500,000 to the Lender. No commission or finder's fee would be paid in connection with the Loan. The completion of the Loan was subject to entering into a loan agreement and receiving the funds from the Lender. The Lender is a related party as InCoR appointed two members to the Board of Directors of the Company and InCoR holds more than 20% of the issued and outstanding shares of the Company. As of the date of this MD&A, the Loan has yet to be advanced by InCoR.

As part of the appointment of Mr. Todd Burlingame as CEO and Director on May 8, 2023, InCoR committed to advancing the Company \$500,000 as a short-term non-interest bearing loan as discussions continued to finalize the secured term loan noted above. As of the date of this MD&A, the short-term loan has yet to be advanced by InCoR.

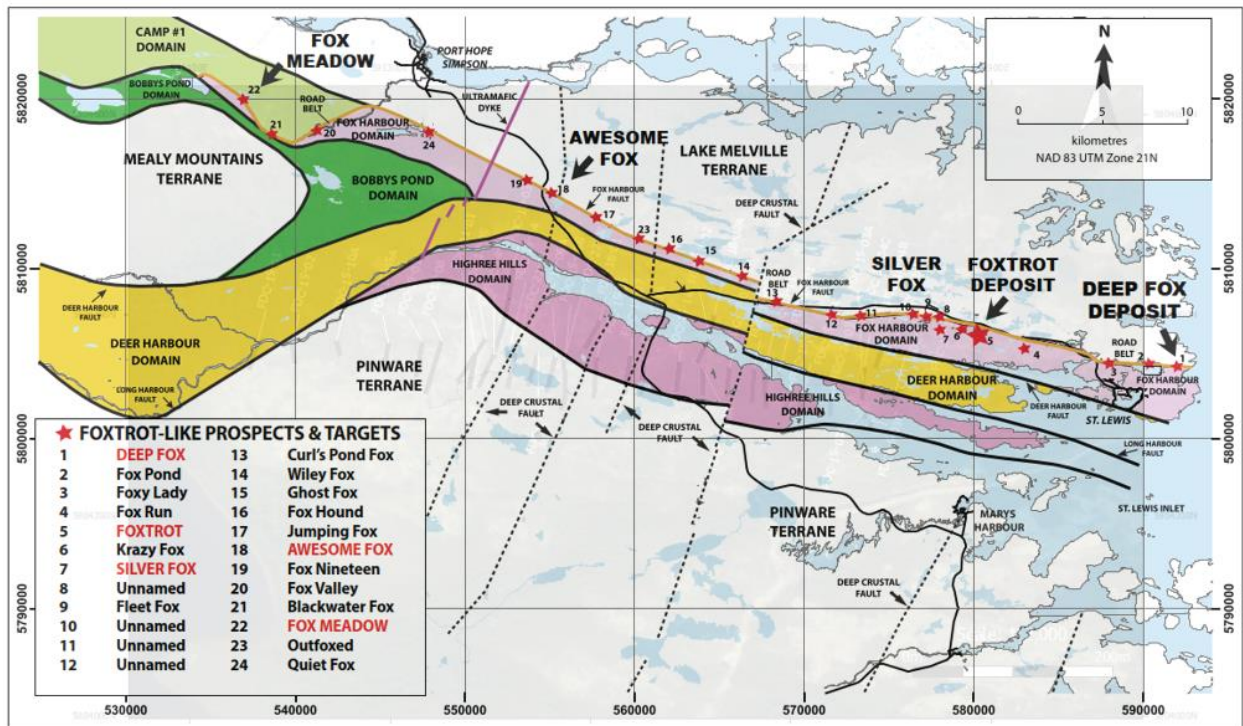
On March 7, 2023, the Company announced that the Government of Canada would contribute \$5 million in non-dilutive support to the Company via a Contribution Agreement which would be used to fund the construction and operation of a demonstration plant for rare earth extraction and recovery. The Government of Canada would contribute the lesser of 75% of the total project costs, as defined in the agreement, and \$5 million. The eligible expenditure period is November 30, 2022 to March 31, 2024. As of the date of this MD&A, the program has not yet started and no funds have been received from the Government of Canada for this program.

OUTLOOK

The Company has been in the process of resolving its working capital deficiency and requires additional funding in order to continue operations. Refer to the MD&A for the three months ended February 28, 2023 for detailed discussions on the Company plans once funding becomes available.

Impact Assessment

In preparation for advancing the Impact Assessment process the Company has initiated environmental baseline studies that include both the Deep Fox and Foxtrot sites. In April 2021, it was determined that the original project registration filed in 2016 with the Province of Newfoundland and Labrador should be allowed to lapse and that a revised project registration which reflects updated project configuration would be required. Additionally, in August 2022 the Impact Assessment Agency of Canada ("IAAC") provided notice that the federal process originally initiated in 2017 had lapsed. Search Minerals will be submitting a revised Project Description document which is based on the updated PEA to the relevant agencies.



DIRECT EXTRACTION TECHNOLOGY

Search Minerals completed a successful \$1.9M pilot plant operation in June 2017 using the proprietary Direct Extraction Process at SGS Canada (Lakefield) ("SGS") Lakefield, Ontario. The pilot plant provided Search with a sample of a 99% high purity mixed rare earth oxide concentrate ("REO Concentrate") for further testing at separation facilities. The Company has been in continued discussion with various separation refineries whom have either tested the material or reviewed the technical information from the pilot plant. The funding of the pilot plant was provided by \$750,000 from the Newfoundland and Labrador Department of Tourism, Culture, Industry and Innovation ("TCII") and \$500,000 from the Atlantic Canada Opportunities Agency ("ACO").



In conjunction with processing the Foxtrot material during the pilot plant operation, a bench-top demonstration test of the Deep Fox mineral sample was also completed at SGS. The test highlights provided extractions of 90.8% Neodymium, 90.5% Praseodymium, 81.3% Dysprosium and 82.5% Terbium, which compare favorably with the extractions from the Foxtrot recent pilot plant studies.



On November 28, 2018, Search received a further research and development funding commitment from TCII and ACOA totaling \$606,537 to assist in the refinement and optimization of the Search Minerals Direct Extraction Process. The total program cost was estimated to be \$806,000 and TCII and ACOA reimbursing Search for \$606,537 of the allowable costs.

The bench and pilot plant portion of the project has been completed and has produced the following highlights:

- Best extraction of 87% Neodymium (Nd), 88% Praseodymium (Pr), 77% Dysprosium (Dy) and 78% Terbium (Tb) by acid treatment/water leaching of -0.5 mm crushed Foxtrot Deposit material.
- As an alternative, the precipitation of a mixed rare earth carbonate with 58% REO content was demonstrated after supplemental removal of aluminum from the zinc free solution.
- Effective removal of uranium from the primary water leach solution or the secondary re-leach solution using ion exchange. Uranium was reduced to below detection limit in solution. Similarly, thorium was removed below the detection limit from the secondary re-leach solution using solvent extraction technology.

The information from this program will ultimately be used to design and operate future demonstration and commercial processing plants.

Also, Search is exploring the opportunity to build and operate a demonstration plant. This demonstration plant would provide Search with substantially more REE Carbonate or REO Concentrate for further refining and certifications required to secure an off-take agreement. Search would look to secure funding for the demonstration plant with a mixture of alternative financings, equity financings and various government assistance programs.

In March 2020, Atlantic Canada Opportunities Agency (“ACOA”) approved funding of up to \$50,000 towards the completion of two engineering studies to further advance the Company’s CREE District in south-east Labrador, Canada. These studies have been completed and will be used to support future capital and operating cost estimates as part of our new Preliminary Economic Assessment (“PEA”) on the Deep Fox and Foxtrot deposits.

MINERAL PROPERTIES

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claims of title.

RESULTS OF OPERATIONS

During the six months ended May 31, 2023, the Company incurred exploration and evaluation expenditures as follows:

	Critical Rare Earth Element District, Labrador \$	Red Wine, Labrador \$	Total \$
Balance, November 30, 2022	26,772,129	351,700	27,123,829
Acquisition costs			
Cash	10,000	-	10,000
	10,000	-	10,000
Deferred exploration costs			
Assays	727,523	-	727,523
Camp and rent	64,985	-	64,985
Drilling	80,802	-	80,802
Engineering and metallurgy	83,168	-	83,168
Geological consulting, salaries, wages and benefits	432,268	841	433,109
Government contributions	(68,875)	-	(68,875)
Helicopters	6,160	-	6,160
Metallurgical consulting	55,500	-	55,500
Other	42,723	-	42,723
Travel and accommodation	11,512	-	11,512
	1,435,766	841	1,436,607
Balance, May 31, 2023	28,217,895	352,541	28,570,436

As discussed in the sections above, the Company was conducting the Deep Fox exploration program and the remaining work was focused primarily on keeping the licenses in good standing.

OVERALL PERFORMANCE

The Company had a loss of \$1,188,905 (\$0.00 per share) for the six months ended May 31, 2023 as compared to a loss of \$1,695,975 (\$0.00 per share) for the six months ended May 31, 2022. The table below details certain non-cash or unusual transactions that for the purposes of this discussion have been adjusted out of the reported loss to produce an adjusted loss that forms a better basis for comparing the period over period operating results of the Company.

	2023 (\$)	2022 (\$)
Loss for the period as reported	(1,188,905)	(1,695,975)
Add (deduct):		
Amortization	123,499	53,894
Flow-through premium income	(40,878)	-
Share-based compensation – stock options	92,897	998,593
Adjusted loss for the period ⁽¹⁾	(1,013,387)	(643,488)

⁽¹⁾ Adjusted loss for the period is not a term recognized under IFRS.

- Amortization increased during the period due to the additions to equipment.
- The flow-through premium income of \$40,878 represents the value of the tax benefits transferred from Search to the flow-through share investors.
- The Company granted 11,550,000 stock options in February 2022. The options vest in three tranches over a one year period. On May 8, 2023, the Company granted 2,000,000 stock options and 20% vested prior to the remainder being forfeited, unvested.

The increase in the adjusted loss for the six months ended May 31, 2023 compared to the six months ended May 31, 2022 is the net result of a number of differences in various expenses as follows:

- Accounting and audit fees of \$60,785 (2022: \$44,827) are comprised of fees to maintain the accounting records and prepare financial reports as required.
- Administration expense and management fees of \$491,000 (2022: \$155,000) are comprised of salaries, bonuses, fees and severance paid to the former CEO of the Company. The increase in fees this year was due to the appointment of new CEOs.
- Consulting fees of \$33,160 (2022: \$52,550) were fees to a director and to a consultant for corporate advisory services.
- Legal fees of \$94,473 (2022: \$37,312) are general legal fees to comply with various regulations and general business requirements.
- Non-executive directors fees of \$60,000 (2022: \$66,000) are monthly fees to the non-executive directors.
- Office and miscellaneous expenses of \$144,423 (2022: \$114,489) includes insurance, office expenses and supplies, memberships and subscriptions, flow-through interest tax as well as other miscellaneous expenses.
- Regulatory and transfer agent fees of \$38,323 (2022: \$78,375) are fees paid to maintain the listing on the TSX-V, the OTCQB and other transaction fees.
- Shareholder communications of \$32,475 (2022: \$75,651) are fees incurred to market the Company to current and potential investors.
- Travel and accommodation expenses of \$58,748 (2022: \$19,464) includes executive travel to the properties in Newfoundland as well as travel for investor relations purposes.

QUARTERLY INFORMATION

The following is selected financial data from the Company's unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended May 31, 2023.

	Three Months Ended (\$)			
	May 31, 2023	Feb 28, 2023	Nov 30, 2022	Aug 31, 2022
Total Revenues	-	-	-	-
(Loss) Income	(471,724)	(717,181)	149,348	(24,377)
(Loss) Income Per Share (basic and diluted) ⁽¹⁾	(0.00)	(0.00)	0.00	0.00
Total Assets	29,240,141	29,648,378	29,288,803	28,979,086
Total Liabilities	3,238,228	3,344,422	2,350,882	2,315,337
Shareholders' Equity	26,001,913	26,303,956	26,937,921	26,663,749

	Three Months Ended (\$)			
	May 31, 2022	Feb 28, 2022	Nov 30, 2021	Aug 31, 2021
Total Revenues	-	-	-	-
Loss	(716,972)	(979,003)	(326,863)	(1,317,048)
Loss Per Share (basic and diluted) ⁽¹⁾	(0.00)	(0.00)	(0.00)	(0.00)
Total Assets	27,296,971	27,295,477	21,647,044	17,771,531
Total Liabilities	2,106,049	1,863,976	802,980	819,737
Shareholders' Equity	25,190,922	25,431,501	20,844,064	16,951,794

⁽¹⁾ The basic and diluted calculations result in the same values.

FINANCING ACTIVITIES

The Company entered into a non-binding term sheet dated March 6, 2023, pursuant to which the Company would receive a secured term loan (the "Loan") in the amount of \$2,500,000 million from InCoR Holdings Limited (the "Lender"). The Loan would have a 2-year term and would bear interest at a rate of 22.5% per annum. The Company would have the right to pay back the principal plus accrued interest on the Loan to the Lender at anytime after the one-year anniversary of the Loan. The Company would issue 6,250,000 bonus shares at the fair value of \$500,000 to the Lender. No commission or finder's fee would be paid in connection with the Loan. The completion of the Loan is subject to entering into a loan agreement and receiving the funds from the Lender. The Lender is a related party of the Company. As of the date of this MD&A, the Loan has yet to be advanced by InCoR.

As part of the appointment of Mr. Todd Burlingame as CEO and Director on May 8, 2023, InCoR committed to advancing the Company \$500,000 as a short-term non-interest bearing loan as discussions continued to finalize the secured term loan noted above. As of the date of this MD&A, the short-term loan has yet to be advanced by InCoR.

The Company announced that the Government of Canada would contribute \$5,000,000 in non-dilutive support to the Company via a Contribution Agreement which would be used to fund the construction and operation of a demonstration plant for rare earth extraction and recovery. The Government of Canada would contribute the lesser of 75% of the total project costs, as defined in the agreement, and \$5 million. The eligible expenditure period is November 30, 2022 to March 31, 2024. As of the date of this MD&A, the program has not yet started and no funds have been received from the Government of Canada for this program.

LIQUIDITY AND CAPITAL RESOURCES

As at May 31, 2023, the Company's cash balance was \$3,506 with working capital deficit of \$3,014,999.

The Company's operations consumed \$1,013,387 of cash, before working capital items, during the six months ended May 31, 2023 (2022: \$643,488) with an additional \$885,667 (2022: \$1,857,903) utilized on mineral property deferred exploration and acquisition expenditures and the purchase of property and equipment. The cash requirement for the six months ended May 31, 2023 was fulfilled from cash on hand and other working capital.

The Company's aggregate operating, investing and financing activities during the six months ended May 31, 2023 resulted in a net decrease in its cash balance from \$457,537 at November 30, 2022 to \$3,506 at May 31, 2023. The Company's working capital decreased by \$2,067,820 correspondingly during the period and stood at a deficit of \$3,014,999 at May 31, 2023. The Company has accumulated losses since inception of \$24,729,197.

As at May 31, 2023, the liabilities include trade payables, due to related parties and the CEBA loan for \$120,000.

The Company does not have any commitments for material capital expenditures over the near term or long term other than a \$10,000 annual payment to the vendors of the Quinlan Property, the \$10,000 annual payment to the vendors of the Mann Property and the \$260,000 remaining on option agreements to acquire certain licenses in Newfoundland. The Company was required to pay \$110,000 and issue a total of 800,000 common shares by July 2, 2023 as part of the options to acquire the Mann Property and the Two Tom Property. The Company and the Vendors agreed to postpone delivery of the cash and shares. The Vendors have the right to demand payment of the cash and issuances of the shares at any time.

The Company has not put into commercial production any of its mineral properties and as such has no operating revenues or cash flows. Accordingly, the Company is dependent on the equity markets as its sole source of operating working capital, and the Company's capital resources are largely determined by the strength of the junior resource capital markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. Since the Company will not have cash flows from operations over the next year, it will have to continue to rely upon equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to it.

GOING CONCERN

The condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the foreseeable future. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration programs, will result in profitable mining operations. The recoverability of the carrying value of exploration and development properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values of assets.

At May 31, 2023, the Company had not yet achieved profitable operations, had an accumulated deficit of \$24,729,197 since inception and expects to incur further losses in the development of its business. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. At May 31, 2023, the Company had working capital deficit of \$3,014,999 compared to a working capital deficiency of \$947,179 at November 30, 2022, an increase in working capital deficiency of \$2,067,820. The above factors cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

TRANSACTIONS WITH RELATED PARTIES

During the three and six months ended May 31, 2023 and 2022, the Company incurred the following expenditures charged by directors and officers of the Company and/or companies they owned or were significant shareholders of:

	Three months ended		Six months ended	
	2023	May 31, 2022	2023	May 31, 2022
	\$	\$	\$	\$
Administration and management fees ⁽¹⁾⁽²⁾⁽⁴⁾	156,000	70,000	491,000	155,000
Consulting fees ⁽²⁾	6,250	18,750	25,000	37,500
Non-executive directors fees	32,000	36,000	60,000	66,000
Mineral property expenditures				
Geological consulting, salaries, wages and benefits ⁽³⁾⁽⁴⁾	84,000	100,000	184,000	140,000
Metallurgical consulting ⁽⁵⁾	27,750	27,750	55,500	55,500
Share-based payments - options	9,681	267,480	69,120	713,281
	315,681	519,980	884,620	1,167,281

- (1) Includes salary earned by the former CEO, Greg Andrews. The business purpose of the transactions was to compensate Mr. Andrews for administration and management services provided. The Company has an employment contract with Mr. Andrews that includes a termination clause of twelve months compensation and a change of control provision calling for twenty-four months compensation. On February 10, 2023, Mr. Andrews was terminated without cause. He was paid twelve months compensation in March 2023.
- (2) Includes fees billed by Leo Power, former Chairman and Director. The consulting fees were for additional services outside of the scope of non-executive directors fees. Mr. Leo Power also earned administration and management fees during his time as CEO.
- (3) Includes salary earned by the VP of Exploration, Dr. Randy Miller. The business purpose of the transactions was to compensate Dr. Randy Miller for managing the mineral properties. The Company has an employment agreement with Dr. Miller that includes a termination clause of twelve months compensation and a change of control provision calling for eighteen months compensation.
- (4) Includes the compensation to the former COO and former CEO, Todd Burlingame. The business purposes of the transactions was to compensate Mr. Burlingame for administration and management services provided, with a portion applied to mineral property expenditures and a portion to management fees. The Company had a COO consulting agreement with Mr. Burlingame that included a termination notice period of six months and, if terminated on a change of control, a lump sum payment of twelve months compensation. The Company had a CEO employment agreement with Mr. Burlingame that included a termination clause of twelve months compensation.
- (5) Includes fees billed by the VP of Metallurgy, Dr. David Dreisinger. The business purpose of the transactions was to compensate Dr. David Dreisinger for assisting with metallurgical work relating to the Company's REE properties. The Company has a consulting agreement with Dr. David Dreisinger. The agreement includes a termination notice period of 180 days.

At May 31, 2023, due to related parties of \$306,713 (November 30, 2022: \$69,454) included amounts owing to directors and officers of the Company and/or companies they control or of which they were significant shareholders. The amounts owing include amounts related to expenditures charged to the Company and for reimbursements of expenditures paid for on behalf of the Company. The amounts owing are unsecured, non-interest bearing and due on demand. The amounts have been recorded at their exchange amount, being the amount agreed to by the parties.

Key management includes the former CEO, former COO, VP of Metallurgy, VP of Exploration and the directors of the Company. The compensation paid or payable to key management for services during the three and six months ended May 31, 2023 and 2022 is as follows:

	Three months ended		Six months ended	
	2023	May 31, 2022	2023	May 31, 2022
	\$	\$	\$	\$
Short-term benefits	306,000	252,500	815,500	454,000
Share-based payments - options	9,681	267,480	69,120	713,281
	315,681	519,980	884,620	1,167,281

FINANCIAL INSTRUMENTS

Designation of Financial Instruments

The Company's financial instruments consist of cash, trade payable, due to related parties and CEBA loan. The Company's cash, trade payable, due to related parties and CEBA loan are measured at amortized cost.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is primarily held with a large Canadian bank.

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of minerals under exploration.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained; however, the Company has been unable to obtain sufficient financing to meet its contractual obligations and the working capital deficiency has been increasing. Refer to the going concern note for additional disclosure. The Company had working capital as follows:

	May 31, 2023	November 30, 2022
	\$	\$
Current assets	103,229	1,283,703
Current liabilities	(3,118,228)	(2,230,882)
Working capital (deficit)	(3,014,999)	(947,179)

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

a) Currency Risk

As at May 31, 2023, substantially all of the Company's cash was held in Canadian dollars, the Company's functional currency. The Company has no operations in foreign jurisdictions outside of Canada at this time and as such has no currency risk associated with its operations. The Company has had nominal amounts of payables in US dollars.

b) Interest Rate Risk

As at May 31, 2023, the Company had a CEBA loan bearing interest at a fixed rate of 5% per annum. As the Company had no variable rate interest bearing financial instruments, the Company is not exposed to interest rate risk. Certain vendors have been charging interest to the Company on outstanding accounts payable.

c) Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Company has no financial instruments subject to price risk.

OUTSTANDING SHARE CAPITAL

Authorized: Unlimited number of common shares

Issued and outstanding: 416,487,014 common shares as at July 28, 2023.

Options and warrants outstanding as at July 28, 2023:

Security	Number	Exercise Price	Expiry Date
Stock Options	9,150,000	\$0.08	November 17, 2025
Stock Options	7,680,000	\$0.20	August 18, 2026
Stock Options	9,300,000	\$0.20	February 2, 2027
Stock Options	400,000	\$0.05	May 8, 2026
TOTAL	26,530,000		

Security	Number	Exercise Price	Expiry Date
Share Purchase Warrants	3,711,113	\$0.25	December 22, 2023
Share Purchase Warrants	5,495,777	\$0.25	January 27, 2024
Share Purchase Warrants	8,727,625	\$0.05	June 17, 2024
Share Purchase Warrants	30,000,000	\$0.05	November 12, 2025
TOTAL	47,934,515		

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements for the six months ended May 31, 2023 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

RISKS AND UNCERTAINTIES

The exploration and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not be successful in overcoming. Few mineral properties which are explored ultimately develop into producing mines. There has been no commercial production of minerals on properties held by the Company to date and there is a high degree of risk that commercial production of minerals will not be achieved.

Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The mining industry is intensely competitive. The commercial viability of a mineral deposit depends on a number of factors including the particular attributes of the deposits (principally size and grade), proximity to infrastructure, the impact of mine development on the environment, environmental regulations imposed by various levels of government and the competitive nature of the industry which causes mineral prices to fluctuate substantially over short periods of time. There can be no assurance that the minerals can be marketed profitably or in such a manner as to provide an adequate return on invested capital.

The operations of the Company are subject to all of the risks normally associated with the operation and development of mineral properties and the development of a mine, including encountering unexpected formations or pressures, caving, flooding, fires and other hazards, all of which could result in personal injuries, loss of life and damage to property of the Company and others. In accordance with customary industry practice, the Company is not fully insured against all of these risks, nor are all such risks insurable.

The operations of the Company's properties will be subject to various laws and regulations relating to the environment, prospecting, development, production, waste disposal and other matters. Amendments to current laws and regulations governing activities related to the Company's mineral properties may have material adverse impact on operations.

The Company will need additional funding to complete its long term objectives. The ability of the Company to raise such financing in the future will depend on the prevailing market conditions, competition with other strategic metals exploration stage companies, as well as the business performance of the Company. There can be no assurances that the Company will be successful in its efforts to raise additional financing on terms satisfactory to the Company. If adequate funds are not available or not available on acceptable terms, the Company may not be able to take advantage of opportunities, to develop new projects or to otherwise respond to competitive pressures.

The Company's working capital and liquidity fluctuate in proportion to its ongoing equity financing activities. The Company requires a certain amount of liquid capital in order to sustain its operations and in order to meet various obligations as specified under its resource property acquisition agreements. Should the Company fail to obtain future equity financing due to reasons as described above, it will not be able to meet these obligations and may lose its interests in the properties covered by the agreements. Further, should the Company be unable to obtain sufficient equity financing for working capital, it may be unable to meet its ongoing operational commitments.

The accounts payable and accrued liabilities and due to related parties of the Company at May 31, 2023 was \$3,118,228, the majority of which is past due. There is a significant risk that the unpaid creditors will commence legal action against the Company in order to collect the amounts they are owed. As of the date of the MD&A, the Company is seeking financing alternatives but currently has no source of funding.

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in legal disputes in the future. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the solution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

All of the Company's mineral properties are in the exploration stage. Exploration and development of natural resources involve substantial expenditures and a high degree of risk. Few properties that are explored are ultimately developed into producing properties. Accordingly, the Company has no material revenue, writes off its mineral properties from time to time, and operates at a loss. Continued operations are dependent upon ongoing equity financing activities.

OTHER INFORMATION

The rare earth elements ("REE") mentioned are defined as follows: La – Lanthanum, Ce – Cerium, Pr – Praseodymium, Nd – Neodymium, Pm – Promethium, Sm – Samarium, Eu – Europium, Gd – Gadolinium, Tb – Terbium, Dy – Dysprosium, Ho – Holmium, Er – Erbium, Tm – Thulium, Yb – Ytterbium, Lu – Lutetium and Y – Yttrium. Additional elements of interest are Zr – Zirconium and Nb – Niobium.

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com and at the Company's website at <http://www.searchminerals.ca>.

QUALIFIED PERSONS:

Dr. David Dreisinger, Ph.D., P.Eng., is the Company's Vice President, Metallurgy and Qualified Person for the purposes of NI 43-101. Dr. Dreisinger has reviewed and approved the technical disclosure contained herein as applicable.