VANCOUVER, Nov. 5, 2015 /CNW/ - (TSXV: SMY) Search Minerals Inc. ("Search" or the "Company") is pleased to announce it will receive research and development ("R&D") funding totaling C$1,250,000 from the Research & Development Corporation Newfoundland and Labrador ("RDC") and from the Atlantic Canada Opportunities Agency ("ACOA") to assist in the construction and operation of a pilot plant for the testing of Search's metallurgical process (the "Project"). Search will receive C$750,000 towards the project from RDC and will receive a C$500,000 conditionally repayable contribution from ACOA. The Company will contribute an additional C$650,000 in working capital. The total Project cost is approximately C$ 1,900,000.

Greg Andrews, President/CEO comments, "We are very pleased to have the support of both RDC and ACOA to provide C$ 1.25M R&D funding for this C$ 1.9M project. Our successful collaboration with RDC and ACOA in 2014, led to the metallurgy breakthrough, whereby grinding, flotation, gravity and magnetic separation were eliminated from the simplified process flow sheet. This larger scale integrated pilot plant operation will provide Search with the critical engineering data to advance the process through to commercialization. The test will also provide Search with sufficient mixed REO oxide to provide to potential partners to test the downstream separation process into individual rare earth elements. Our goal is to be able to provide a low-cost, consistent mixed REO oxide product, which would be used to create a stable and consistent final rare earth metal product. Search is able to finance its' contribution with proceeds from the recent sale of the Strange Lake claims, and the Starved Acid Leach Technology with minimum dilution to our shareholders. "

The design capacity of the pilot plant is set at 10 kg/h. For a 14 day pilot operation, a 7 tonne sample will be provided from the 40 tonne bulk sample material from the High Grade Core of the Foxtrot deposit in November 2014. (See Search News Release – November 19, 2014 - Search Minerals extracts bulk sample to test new Foxtrot metallurgical process)The estimated Project commencement date is November 2015 with a completion date of July 2016.

On the successful conclusion of the Pilot Plant study, Search will have reached the following milestones:

- The validation that the Search metallurgical flowsheet is able to produce a mixed rare earth oxide on a large scale, which is suitable for further separation by a refinery.
- The Project will provide further engineering design data to support the development of a Bankable Feasibility Study to advance the Foxtrot resource to support a production decision.
- The ability to provide a rare earth separation facility with a consistent mixed rare earth oxide for further separation into individual rare earth metals.

Search will engage the services of SGS Canada Inc. ("SGS") for the construction and operation of the pilot plant

About Search

Search is a TSX Venture Exchange listed company focused on creating value through finding and developing "critical rare earth element ("CREE")" mineral assets in Labrador. CREEs (Nd, Eu, Tb, Dy, Y) have growing demand, constrained or restricted supply and are commonly used in innovative technologies.

Search is the discoverer of the Port Hope Simpson CREE District, a highly prospective CREE belt located in southeast Labrador, where the Company controls a belt 70 km long and up to 8 km wide. Search owns 100% of the advanced CREE resource called the Foxtrot Project ("Foxtrot"), and a recently announced Foxtrot-like prospect called "Deepwater Fox". In addition, the Company has identified more than 20 other Foxtrot-like prospects in the District. The primary focus of Search is to continue to advance the Foxtrot resource, while evaluating other Foxtrot-like prospects. Several of the Foxtrot-like prospects require exploration drilling programs and may provide additional resources to a central processing facility that would be situated within the District.

In addition, Search holds a number of other CREE mineral prospects in Labrador in its portfolio, including claims in the Red Wine Complex, and in the Henley Harbour area.

Search is led by a management team and board of directors with proven track records in the mining industry. The Company also has experienced geological and metallurgical teams led by Dr. Randy Miller and Dr. David Dreisinger, respectively.

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

About the Atlantic Canada Opportunities Agency:

ACOA works to create opportunities for economic growth in Atlantic Canada by helping businesses become more competitive, innovative and productive, by working with diverse communities to develop and diversify local economies, and by championing the strengths of Atlantic Canada. Together, with Atlantic Canadians, ACOA is building a stronger economy.

About the Research & Development Corporation, Newfoundland & Labrador:

RDC is a provincial Crown corporation responsible for improving Newfoundland and Labrador's research and development performance. RDC works with research and development stakeholders including business, academia and government agencies and departments to make strategic investments in highly qualified people, R&D infrastructure and innovative research. Additional information about RDC can be found at: www.rdc.org

About SGS

SGS is the world's leading inspection, verification, testing and certification company. SGS is recognized as the global benchmark for quality and integrity. With more than 80,000 employees, SGS operates a network of over 1,650 offices and laboratories around the world.

Around the world, SGS offers a wide range of integrated services for the hard rock, energy minerals and fertilizer sectors including sustainable geochemical analysis, resource calculation, mineralogy, metallurgical testing and consulting, engineering services, advanced systems, water treatment and trade services. For further information regarding these and other SGS services, please visit www.sgs.com/mining.

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 for the adequacy or accuracy of this release.

Cautionary Statement Regarding "Forward-Looking" Information

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation that are not historical facts. These forward looking statements relate to future events or the Company's future performance, business prospects or opportunities, including but not limited to the receipt by Search of the RDC and ACOA funding, the completion of the Project and the success of the Project. 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. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; and those additional 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 of this news release and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, Search disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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