VANCOUVER, BRITISH COLUMBIA--(Marketwired - Mar 20, 2017) - Search Minerals Inc. (TSX VENTURE:SMY) ("Search" or the "Company") is pleased to announce a non-brokered private placement (the "Private Placement") of up to 34,000,000 units (the "Units") at $0.09 per Unit for gross proceeds of up to $3,060,000. Each Unit will consist of one common share in the authorized share structure of the Company and one-half of one share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share in the capital of the Company (a "Warrant Share") at a price of $0.18 per Warrant Share for a period of twelve months from the closing of the Private Placement.

The Company will use the proceeds from the Private Placement to complete a drilling program on the Deep Fox prospect (*formerly called Deepwater Fox*), to complete the environmental assessment applications and for general working capital requirements. The proceeds will be allocated as 1) $ 1,000,000 for the environmental application process and general working capital, and 2) up to $ 2,060,000 will be used for the Deep Fox drill program and other exploration in the District.

Greg Andrews, President/CEO states: "Completion of metallurgical testing necessarily consumed much of our financial resources and management time. Also, Search was very focused on reaching settlement agreements with creditors, prior to our November 2016 audit year end, which reduced the majority of the corporate debt off the balance sheet. With a stronger balance sheet and the successful metallurgy, Search believes it is the right time to validate the District with the Deep Fox drill program. Dr. Randy Miller, Vice-President, Exploration, will use the Foxtrot-like geological model, developed from the Foxtrot resource drilling programs, to plan an efficient and cost effective drill program at Deep Fox. Since Deep Fox is a Foxtrot-like prospect, we expect the geology and mineralization there to fit the model. The funds from this private placement will be used to advance important and complementary aspects of our overall strategic plan in the following key areas as follows."

Drilling the Deep Fox Prospect - For some time Search has been pointing to the upside potential of this prospect (previously called Deepwater Fox). A substantial drilling program is planned for the coming 2017 field season. This is viewed as the most credible means of validating the Port Hope Simpson CREE district concept and the most immediate opportunity to create value for our shareholders. The 2015 Channel program (*See Search News Release - dated October 15, 2015 - Search Minerals announces expansion of the Deepwater Fox "Critical REE" prospect in the Port Hope Simpson REE District")* outlines a similar strike length to Foxtrot but increased widths up to 30m and containing up to 15% higher grades from our key rare earth elements.

Refinery and Partnership Opportunities - With laboratory results and a REE oxide concentrate in hand, Search can now provide samples and specifications to existing refineries and other new separation technology companies for possible tolling or partnership arrangements. We also expect this to positively impact on our ability to make supply chain inroads with manufacturers who consume rare earth elements and advance discussions with potential partners.

Narrowing Our Refining Options - Separation costs are a significant portion of the overall cost of the Foxtrot Project. In its December 2016 report, Rare Earth Market Outlook: Supply, Demand and pricing for 2016 to 2025, Adamas Intelligence of Sudbury, Ontario estimated that traditional Rare Earth Element refineries are operating at an average of 38% capacity. This, coupled with advancement of many new technologies, provides Search with an opportunity to realize significant savings over the estimates used in our current Preliminary Economic Assessment report (April 2016). In parallel with establishing pricing with conventional refiners in France, China and elsewhere, Search will invest in the process of narrowing the field of new processing options that show the greatest potential and best align with our development plans.

Advancing the Environmental Assessment Process - In October 2016, Search announced the engagement of Allnorth to commence the preparation of registration documents for both the provincial and federal environmental regulators. Draft documents have been submitted to both the Government of NL and the Government of Canada for their comments.

Appointment of Dr. Andrew Furey to Advisory Board

Dr. Andrew Furey has agreed to join the Search Advisory Board. A graduate of Memorial University's School of Medicine and now a faculty member, Dr. Furey is a practicing orthopedic surgeon and researcher with numerous publications to his credit, a recognized innovator and Founder and CEO of Team Broken Earth, a Canadian charity that has received accolades for its can-do approach in responding to primary health care and health education needs in impoverished and disaster-stricken areas worldwide. Dr. Furey also holds a Diploma in Organizational Leadership from Oxford University: SAID School of Business and included among his many awards are two recognitions as one of Atlantic Canadas Top CEOs. Dr. Furey is currently a director of Canada Fluorspar Inc.

Annual General Meeting

The Annual General meeting has been announced for May 18, 2017 at 10am in Vancouver, B.C. The slate of directors to be named include the existing directors and the addition of two new directors, Greg Andrews, the President/CEO of Search Minerals and Dr. Andrew Furey.

A Control Person (as that term is defined under the policies of the TSX Venture Exchange) of the Company and certain directors and officers of the Company may acquire units pursuant to the Private Placement.

Closing of the Private Placement is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the approval of the TSX Venture Exchange.

About Search Minerals Inc.

Led by a proven management team and board of directors, Search is focused on finding and developing resources within the emerging Port Hope Simpson Critical Rare Earth Element ("CREE") District of South East Labrador (the "District"). The Company controls a belt 70 km long and 8 km wide including its 100% interest in the FOXTROT Project which is road accessible and at tidewater. Exploration efforts have advanced "Deep Fox" and "Fox Meadow" as significant new CREE prospects very similar and in close proximity to the original FOXTROT discovery. While the Company has identified more than 20 other prospects in the District, its primary objective remains development of FOXTROT with the clearly demonstrated success of the proprietary processing technology at the pilot plant level and delineation of prospects that will ensure competitive-low cost production beyond the 14-year mine life contemplated in the preliminary economic assessment of FOXTROT completed in April 2016. The FOXTROT Project has a low capital cost to bring the initial project into production ($152 M), a short payback period and is scalable due to Search's proprietary processing technology. The preliminary economic assessment is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. The preliminary economic assessment includes the results of an economic analysis of mineral resources. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

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

About neo-CREOs (Adamas Intelligence - December 2016)

We consider neodymium, praseodymium, and dysprosium to be neo-CREOs and they are vital to NdFeB magnets used widely in renewable power generation, electric mobility, and energy-efficient technologies. We consider terbium to be a neo-CREO because upon experiencing shortages of dysprosium, consumers in the magnet industry will rapidly consume available terbium supplies in its place for applications involving renewable power generation, electric mobility and energy efficient technologies. Lanthanum is considered a neo-CREO because it is widely used in catalytic converters and rechargeable batteries, and will be increasingly used as a thermal stabilizer by producers of poly-vinyl chloride (PVC) to minimize lead consumption and improve the energy efficiency of PVC and other processing equipment.

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.

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Cautionary Statement Regarding "Forward-Looking" Information.

This news release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian and United States securities legislation including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein, without limitation, statements relating the future operating or financial performance of the Company, are forward-looking statements.

Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this news release relate to, among other things, completion of the Private Placement. Actual future results may differ materially. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the respective parties, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation, the risk that the Company is not able to find suitable investors for the Private Placement or does not receive the approval of the TSX Venture Exchange. Readers should not place undue reliance on the forward-looking statements and information contained in this news release concerning these times. Except as required by law, the Company does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.

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