Search Announces Shares for Debt Transaction

written by Raj Shah | December 18, 2019

December 17, 2019 (Source) – **Search Minerals Inc. (TSXV: SMY)** ("**Search**" or the "**Company**") is pleased to announce that the Company has negotiated certain amendments to the Exploration Activity Agreement between the Company and NunatuKavut Community Council Inc. ("**NCC**") dated August 22, 2012 (the "**Agreement**"). Under the terms of the amending agreement, NCC has agreed to accept 500,000 Shares of the Company (the "**Shares**") at a deemed issue price of $0.05 per Share in settlement of payments owing to NCC under the Agreement in the amount of $25,000 (the "**Debt**").

The Shares will be issued concurrently with an additional 50,000 Shares due for issue under the original terms of the Agreement (the "**Agreement Shares**").

The Company decided to settle the Debt with Shares in order to preserve its cash for operations and the settlement of other obligations.

The issuance of the Shares and the Agreement Shares to NCC is subject to the approval of the TSX Venture Exchange. All securities issued will be subject to a four month hold period which will expire on the date that is four months and one day from the date of issue.

Greg Andrews, President and CEO, comments; "We are very appreciative of our relationship with the NunatuKavut Community Council as a partner and shareholder of Search Minerals. We are working with all our stakeholders as we continue to develop the Critical Rare Earth Element District in SE Labrador. Search

Minerals is well advanced and positioned to be a leader in the development of a North America rare earth supply chain."

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 Critical Rare Earth Element ("**CREE**") District of South East Labrador. The Company controls a belt 70 km long and 8 km wide including its 100% interest in the FOXTROT and DEEP FOX Projects, which are road accessible and at tidewater. Exploration efforts have advanced "Fox Meadow" as a new CREE prospect very similar to and in close proximity to FOXTROT and DEEP FOX. 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 FOXTROT 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.

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 Note Regarding Forward-Looking Statements: *This news release includes certain forward-looking statements and forward-looking information (together, "forward-looking statements"). All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the Offering, the use of proceeds from the Offering, other future plans and objectives of the Company are forward-looking statements. There can be no assurance that such statements will prove to be accurate and actual results and future events may vary from those anticipated in such statements. Important risk factors that could cause actual results to differ materially from the Company's plans or expectations include failure to obtain TSX Venture Exchange acceptance of the Offering, inability to use of proceeds from the Offering as expected, failure to raise sufficient funds on the proposed terms or at all, and risks associated with mineral exploration, including the risk that actual results and timing of exploration and development will be different from those expected by management. The forward-looking statements in this news release were developed based on the assumptions and expectations of management, including that TSX Venture Exchange acceptance for the Offering will be obtained, the Company will be able to use the proceeds from the Offering as anticipated, required fundraising will be completed, as well as the other assumptions disclosed in this news release and that the risks described above will not materialize. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as otherwise required by applicable securities legislation.*