Search Minerals Announces Final Assays From 2018 Phase 1 Deep Fox Drill Program; Phase 2 Drill Program Completed

written by Raj Shah | December 6, 2018

December 5, 2018 (Source) – **Search Minerals Inc. ("Search" or the "Company") (TSXV: SMY)**, is pleased to announce final Phase 1 Drill Program assay results and the completion of the Phase 2 Drill Program on its **DEEP FOX**Critical Rare Earth Element (CREE: La, Pr, Nd, Tb, Dy) property in SE Labrador. Assays from 8 Phase 1 drill holes show significant CREE throughout the mineralized zone; mineralization is observed in all drill holes in Phase 1 and 2.

HIGHLIGHTS OF DEEP FOX PHASE 1 AND PHASE 2 DRILL PROGRAMS

• **DEEP FOX** drill programs outline second major CREE mineralized zone in the District;
• Mineralization observed down to 200m level below surface in all Phase 2 drill holes;
• Mineralized zone is 400-450m in strike length, from 11m to 42m true width and open below 200m depth;
• Phase 1 assay highlights (all true widths):

- FD-18-05 (50m level): 283 ppm Dy, 1,896 ppm Nd, 500 ppm Pr, 2025 ppm La over 5.6m;
- FD-18-06 (100m level): 247 ppm Dy, 1757 ppm Nd, 478 ppm Pr, 1,926 ppm La over 22.4m;
- FD-18-10: (50m level): 257 ppm Dy, 1,940 ppm Nd, 532 ppm Pr, 2,307 ppm La over 21.7m;

• Phase 2 assay results expected in early 2019; resource estimate anticipated in 2019.

Greg Andrews, President/CEO states; “These results are an extension of our previous assays from Phase 1 and further confirm that **DEEP FOX** is a second major CREE mineralized zone in the District. We anticipate that with the Phase 2 results, we will be able to prepare a resource estimate for **DEEP FOX**, with the ultimate goal to prepare an updated Preliminary Economic Assessment report (“PEA”). We believe that an updated PEA based on two resources (Deep Fox and Foxtrot) in the District will provide greater revenue, lower mining costs with two open pits, and potentially demonstrate an extended life for the District. Search continues toward the goal of completing a feasibility study for the implementation of the Direct Extraction Process for treatment of these resources. Concurrently to this exploration update, Search has been advancing the environmental baseline work for the project and evaluation of rare earth separation options along with discussions with end-users. We are poised to benefit from the increased demand for the critical rare earth elements (Nd, Pr, Dy, Tb) required to support the expanding electrification of vehicles and wind turbines.”

The Phase 1 **DEEP FOX** Drill Program consists of a total of 15 holes (3 in 2017 and 12 in 2018) to sample CREE mineralization at the 50m (10 holes) and 100m (5 holes) levels below the surface. Assays are now available for all these holes giving data from both levels. See Table 1 and Table 2 for weighted assays from selected drill hole intervals; see previous Search Minerals Deep Fox new releases (March 5, 2018, and October 29, 2018) for additional selected weighted assay intervals from Phase 1 drill holes.

Assay results indicate that mineralized intervals have true widths of 11m to 42m at the 50m and 100m levels below the

surface. Extensive drilling at the 50m-level (Phase 1) indicates that the mineralization has a strike length of at least 400m. Drilling at the 200m-level (Phase 2) indicates that the mineralized zone is open below this depth. A Phase 3 drill program is required to further test for mineralization at the 150m and 200m levels and to explore the 250m-level.

Assays from the 15 reported Phase 1 drill holes are similar to the surface channel samples (see Search Minerals news releases January 27, 2015, October 15, 2015 and November 27, 2017) at **DEEP FOX**. The CREE mineralization was observed in all drill holes and the geology of the mineralization is similar to that observed at Search's FOXTROT property and on surface at **DEEP FOX** (see Search Minerals news release November 27, 2017).

Drilling, core logging and sampling have been completed for the Phase 2 drill program. This program, totalling 2483m, was designed to intersect mineralization at the 150m (2 holes) and 200m (3 holes) levels below surface and to infill between Phase 1 holes at the 100m-level (3 holes). All drill holes intersect CREE mineralization that is visually similar to that assayed from Phase 1 drill holes and from surface channels. Drill core samples have been delivered to the assay lab; assays are expected in early 2019. Upon receipt and interpretation of all Phase 1 and Phase 2 drill hole assays Search intends to commission a resource estimate for **DEEP FOX**.

The **DEEP FOX** (formerly Deepwater Fox) property (see Search Minerals news releases Jan. 27th, 2015 and Oct. 15th 2015) occurs about 2 km NE of St. Lewis on the SE Labrador coast and within 12 km of the FOXTROT Deposit. It can be accessed by all-weather gravel and paved roads and by water through the port of St. Lewis.

TABLE 1 HIGHLIGHTS OF REE & OTHER SELECTED ELEMENTS FROM PHASE 1

DEEP FOX

DEEP FOX PROPERTY				
	FD-18-05	FD-18-06	FD-18-07	FD-18-08
From (m) To (m) True Width (m)	100.00 116.99 5.59	185.29 213.28 22.39	113.34 120.84 6.00	114.50 122.86 6.69
Y (ppm)	1,167	1,223	1,255	1,200
Zr (ppm)	13,335	12,886	10,701	13,648
Nb (ppm)	612	560	631	468
La (ppm)	2,025	1926	1,757	1,633
Ce (ppm)	4,276	3,998	3,816	3,570
Pr (ppm)	500	478	434	431
Nd (ppm)	1,896	1,757	1,666	1,622
Sm (ppm)	361	330	323	319
Eu (ppm)	18.6	17.3	16.9	16.3
Gd (ppm)	286	259	259	255
Tb (ppm)	46.5	41.7	42.1	41.1
Dy (ppm)	283	247	251	247
Ho (ppm)	53.8	46.7	47.5	47.3
Er (ppm)	150	132	136	135
Tm (ppm)	21.1	18.6	19.2	19.2
Yb (ppm)	130	113.7	118.7	119.4
Lu (ppm)	18.0	16.4	17.0	17.3
LREE (ppm)	9,057	8,490	7,996	7,576
HREE (ppm)	1,007	893	907	898

HREE+Y (ppm)	2,173		2,116		2,162		2,098	
TREE (ppm)	10,064		9,383		8,904		8,474	
TREE +Y (ppm)	11,230		10,606		10,158		9,674	
%TREE	1.01%		0.94%		0.89%		0.85%	
%TREE+Y	1.12%		1.06%		1.02%		0.97%	
%HREE	10.00%		9.52%		10.19%		10.60%	
%HREE +Y	19.35%		19.95%		21.28%		21.69%	
Note; REE TREE LREE HREE Y %HREE+Y %HREE	All elements parts per million (ppm), 10,000 ppm = 1% = 10kg/tonne Rare Earth Elements: La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu (Lanthanide Series). Total Rare Earth Elements: Add La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu Light Rare Earth Elements: Add La, Ce, Pr, Nd, Sm. Heavy Rare Earth Elements: Add Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu. Y not included in HREE due to relatively low value compared to most Lanthanide series HREE. %(HREE+Y)/(TREE+Y) %(HREE/ TREE)							

TABLE 2 HIGHLIGHTS OF REE & OTHER SELECTED ELEMENTS FROM PHASE 1 DEEP FOX

DEEP FOX PROPERTY								
	FD-18-09		FD-18-10		FD-18-11		FD-18-12	
From (m) To (m) True Width (m)	197.10 204.01 5.53		82.41 109.49 21.66		117.32 132.26 11.95		99.88 106.59 5.37	

Y (ppm)	987		1,267		1,038		1,161			
Zr (ppm)	11,805		12,454		12,702		13,336			
Nb (ppm)	487		717		535		647			
La (ppm)	1,318		2,307		1,729		1,804			
Ce (ppm)	2,834		4,654		3,563		3,872			
Pr (ppm)	326		532		422		449			
Nd (ppm)	1,266		1,940		1,565		1,713			
Sm (ppm)	254		355		299		331			
Eu (ppm)	13.1		18.5		15.3		17.2			
Gd (ppm)	204		283		221		259			
Tb (ppm)	33.5		43.8		36.7		42.6			
Dy (ppm)	204		257		220		262			
Ho (ppm)	38.9		47.9		42.1		49.2			
Er (ppm)	114		135		120		140			
Tm (ppm)	17.2		18.8		17.0		20.1			
Yb (ppm)	106.9		115.7		105		123.8			
Lu (ppm)	15.4		16.6		15.3		17.9			
LREE (ppm)	5,998		9,788		7,577		8,169			
HREE (ppm)	748		937		792		932			
HREE+Y (ppm)	1,734		2,205		1,830		2,093			
TREE (ppm)	6,745		10,725		8,369		9,101			
TREE +Y (ppm)	7,732		11,993		9,407		10,262			
%TREE	0.67%		1.07%		0.84%		0.91%			
%TREE+Y	0.77%		1.20%		0.94%		1.03%			
%HREE	11.08%		8.74%		9.46%		10.24%			

%HREE +Y	22.43%		18.38%		19.45%		20.39%	
Note; REE TREE LREE HREE Y %HREE+Y %HREE	All elements parts per million (ppm), 10,000 ppm = 1% = 10kg/tonne Rare Earth Elements: La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu (Lanthanide Series). Total Rare Earth Elements: Add La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu Light Rare Earth Elements: Add La, Ce, Pr, Nd, Sm. Heavy Rare Earth Elements: Add Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu. Y not included in HREE due to relatively low value compared to most Lanthanide series HREE. %(HREE+Y)/(TREE+Y) %(HREE/ TREE)							

Quality Assurance / Quality Control (QA/QC):

Channel samples, 10cm deep and 8cm wide, are cut by gas-powered diamond saw from cleaned outcrops to provide samples for assay and logging/reference. Each channel is cut into two vertical sections, similar to drill core, with a 6 cm thick section (weathering removed) being sent out for assay to Activation Laboratories Ltd. A 2 cm thick section is stored in channel boxes for reference and to provide due diligence/verification samples. The channels are cut perpendicular to strike, pieced together, logged and photographed to produce geological and geochemical sections. These channel samples, or horizontal drill holes, produce the same data as vertical diamond drill holes, except the data is from horizontal geological sections and the collected sample is 6 to 8 times bigger than NQ drill core. Additional 8 cm wide cuts from a channel interval make excellent preliminary metallurgical samples (1m of channel yields about 30kg of sample).

Lithogeochemistry samples, all from bedrock, are collected by

Company personnel, bagged and described. Reference samples are also collected for each grab, lithogeochemistry and channel sample. The samples are shipped to Activation Laboratories Ltd. (ActLabs) sample prep facility in Ancaster, Ontario, where they are crushed to 80% -10 mesh and riffled to produce a representative sample. This sample is then pulverized to 95% -200 mesh with the pulverizing mills being cleaned between each sample with cleaning sand. A representative sample is treated by a lithium metaborate/tetraborate fusion and then analyzed by ICP and ICP/MS techniques. Mass balance is required as an additional quality control technique and elemental totals of the oxides should be between 98% and 101%. For QA/QC purposes Search requires duplicates every 25 samples and two Search reproducibility standards every 50 samples. ActLabs analyzes duplicates and splits approximately every 15 samples and also analyses 29 measured standards for QA/QC. To further enhance our QA/QC procedures Search has a program of checking analytical results with other labs to confirm the ActLabs results. ActLabs is a ISO/IEC 17025 accredited laboratory.

Qualified Person:

Dr. Randy Miller, Ph.D., P.Geo, is the Company's Vice President, Exploration, and Qualified Person (as defined by National Instrument 43-101) who has supervised the preparation of and approved the technical information reported herein. The company will endeavour to meet high standards of integrity, transparency, and consistency in reporting technical content, including geological and assay (e.g., REE) data.

About Search Minerals Inc.

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 to 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. The delineation of additional resources will ensure competitive-low cost production beyond the 14-year mine life outlined in the FOXTROT PEA (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 – November 2017)

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.

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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, technical results from the Company's drilling program and closing of the Offering. 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 Offering or does not receive the approval of 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.