Search Minerals Closes Over-Subscribed Private Placement

written by Raj Shah | July 12, 2018

July 11, 2018 (Source) – **Search Minerals Inc. ("Search" or the "Company")** (TSXV:SMY), is pleased to announce that today the Company closed its previously announced private placement of Flow-Through and Non-Flow Units. The Company raised an aggregate of $424,376.80, of which $180,000.00 was raised on the issuance of Flow-Through Units and $244,376.80 was raised on the issuance of Non-Flow Units. The offering size of the Non-Flow Units was increased to accommodate strong demand.

Each Flow-Through Unit was issued at a price per unit of $0.06 and is comprised of one Flow-Through Common Share and one Common Share Purchase Warrant exercisable for a period of 24 months at an exercise price of $0.07. Each Non-Flow Unit was issued at a price per unit of $0.05 and is comprised of one Common Share and one Common Share Purchase Warrant exercisable for a period of 24 months at an exercise price of $0.07. The Warrants will expire on July 12, 2020. All Shares issued pursuant to the Offering are subject to a statutory hold period of four months plus one day from the date of issuance, in accordance with applicable securities legislation.

After giving effect to the private placement, Search has 179,589,678 Common Shares issued and outstanding.

These private placements funds are used concurrently with the recently completed Rights Offering, whereby $624,372 was raised. The Company will use the proceeds of the Flow-Through units to incur Canadian exploration expenses as defined in the Income Tax Act on the company's properties and to complete the planned 1,500 metre drill program at the Deep Fox prospect. The Non-

Flow Through proceeds will be used for exploration work in the district, environmental studies and work, and general working capital.

Insiders of the Company have subscribed to acquire an aggregate of 950,000 Flow-Through Units and 4,000,000 Non-Flow Units representing total subscription proceeds of approximately $257,000. The issuance of Shares to insiders pursuant to the Offering (the “Insider Participation”) will be considered to be a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 (“MI 61-101”). The Company intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(b) and 5.7(1)(b) of MI 61-101 in respect of any Insider Participation.

To the knowledge of the Company, after reasonable inquiry, no person became a new shareholder holding more than 10% of the Common Shares of the Company as a result of the private placement.

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.

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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.