Search Minerals Receives Funding From Atlantic Canada Opportunities Agency for Cost and Design Studies

written by Raj Shah | March 3, 2020

March 3, 2020 (Source) – **Search Minerals Inc. (TSXV: SMY)** ("**Search**" or the "**Company**") is pleased to announce that Atlantic Canada Opportunities Agency ("ACOA") has approved funding of up to $50,000 towards the completion of two engineering studies to further advance the Company's Critical Rare Earth Element District in South East Labrador, Canada. The first study will provide an updated cost of capital and operating costs for a full processing facility operating at 2,000 tonnes per day. The second engineering study will determine both capital and operating costs and design of a 1/200 scale demonstration plant to be built and operated on-site in St. Lewis, Labrador treating 10 tonnes per day of rare earth containing rock.

Greg Andrews, President/CEO states: "We appreciate the funding support from ACOA that allows Search to prepare the necessary costs and design work to advance our proprietary direct extraction processing technology for our rare earth project. The first study will be used to update a Preliminary Economic Assessment ("PEA") that will incorporate the successful results of the two pilot plants, which operated in 2017 and 2019. The updated information from our pilot plants includes increased recoveries, and modifications to the flow-sheet and reagent usage; each with the goal to reduce both capital and operating costs."

“Furthermore: The second study will utilize the information from the full-scale processing plant study to design and cost for a 1/200 scale demonstration plant. The demonstration plant will be used to produce additional high-purity mixed REO concentrate for customer sampling and individual REE separation testing, training purposes, and further optimization of the flowsheet. We believe that Search has completed sufficient bench and pilot plant work to proceed to this demonstration plant operation. Search has a growing resource base at Foxtrot and Deep Fox and has demonstrated technology to produce high-purity mixed REO concentrate. Search expects to leverage these advantages to attract funding from various government agencies and collaboration partners; all looking to build and establish a North American REE supply chain.”

Search Mineral Patented Direct Leach Extraction Process

Search’s Direct Extraction process provides a high-purity rare earth oxide concentrate simply by crushing and direct treatment of the mineralized rock. This process effectively eliminates the grinding, magnetic separation and wet flotation stages of conventional extraction processes, reducing the amount of capital equipment required and the amount of electricity and chemical reagents used in operations.

An additional advantage is the elimination of a wet tailings pond. The waste material from this process is in the form of a dry stackable residue that reduces the overall mine footprint and provides the opportunity to return waste material to the open pit at the time of reclamation.

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 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.

About Atlantic Canada Opportunities Agency ("ACOA")

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.

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

For further information, please contact:

Greg Andrews
President and CEO

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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

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