MOU with the Saskatchewan Research Council signals another milestone for Search Minerals on their quest to produce rare earths in NA

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A likely Biden victory in the USA is positive for all the rare earths miners. This is because one of Biden's key policies is a massive $2 trillion green infrastructure and jobs plan over his first term in office that aims to have a US carbon pollution-free power sector by 2035. This would be a huge tailwind for the US renewable energy sector (solar and wind) as well as supportive to the US electric vehicle (EV) industry. Any North American rare earths suppliers who can potentially supply the USA and/or Canada with rare earths would be likely to benefit as North America embraces the green revolution.

One rare earth miner worth considering is Search Minerals Inc. (TSXV: SMY) ("Search"). Search is focused on finding and developing critical rare earth element mineral assets in Labrador, Canada.

In some very exciting recent news Search has signed a Memorandum of Understanding (MOU) with the Saskatchewan Research Council (SRC). The MOU outlines a collaboration with SRC as they build their Rare Earth Processing Facility in Saskatchewan, Canada.

Search Minerals President and CEO, Greg Andrews, commented: "We anticipate using the (SRC) conventional solvent extraction process to enable Search to validate the ability to produce the

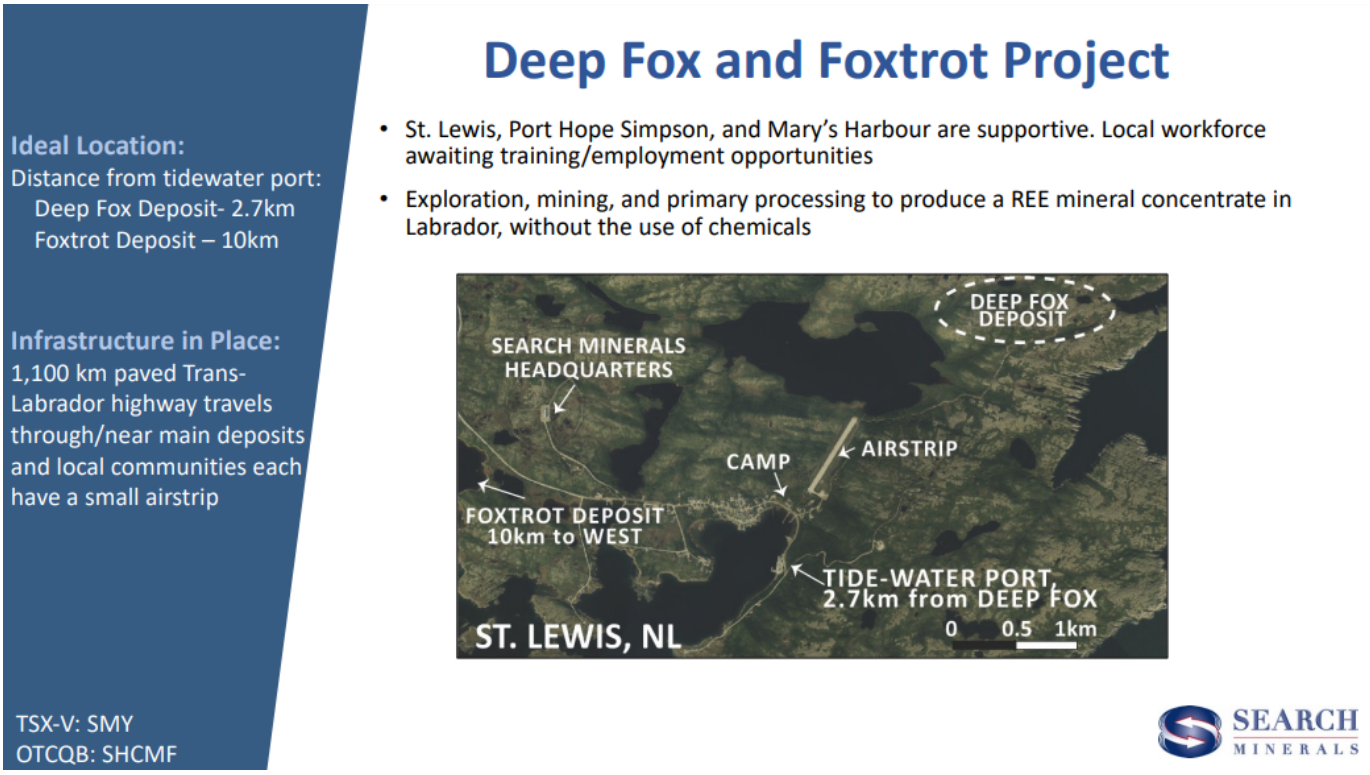
individual rare earth oxides necessary to enter the rare earth supply chain.

Recent announcements regarding building electric cars in Canada and other government led initiatives for clean and green technology provides the framework for industry access to a secure rare earth supply chain in Canada. We believe Search is well positioned to capitalize on these opportunities."

Search controls properties in three areas of Labrador, Canada. These are:

- The Port Hope Simpson (PHS) Critical Rare Earth Element District in SE Labrador
- The Henley Harbour Area in Southern Labrador
- The Red Wine Complex located in Central Labrador

Search Minerals has nearby infrastructure in place at St. Lewis, Labrador, Canada



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Within the Port Hope Simpson District Search's main discoveries are the **Foxtrot Resource**, **Deep Fox**, **Fox Meadow**, **Silver Fox, and Awesome Fox deposits** which contain rare earths including dysprosium (Dy), neodymium (Nd), praseodymium (Pr), terbium (Tb), yttrium (Y), zirconium (Zr), and hafnium (Hf).

The district covers a 63 km long and 2 km wide belt. At Foxtrot the total Indicated Resource is 7.392 million tonnes with grades of neodymium oxide (1,732ppm), neodymium (1,485ppm), praseodymium (397ppm), and dysprosium (191ppm). The 14 year Life of Mine (LOM) Foxtrot Project offers an IRR of 16.7% on an after tax Net Present Value (NPV) 10% of $48M, with a CapEx of only $152M. The NPV quoted above is only for the Foxtrot Project, so once the other projects are combined into a bigger project the NPV should improve.

At Fox Meadow, 2020 channel assay results outlined two mineralized zones on the surface: The NW zone is up to 175m wide and the SE zone is up to 116m wide. Combined, the mineralization is at least 790m long and contains similar grades of the REE magnet materials (Nd, Pr, Tb and Dy) as Foxtrot and Deep Fox. This is a good result as it means Search is continuing to find more REE mineralization to potentially further grow their resource.

At Silver Fox, Search has recently successfully expanded the Silver Fox high grade zirconium-hafnium (REE) mineralized zone. In the news release Search commented: "This surface expression is significantly longer, but thinner, than the surface expressions of the nearby and related Foxtrot and Deep Fox Resources. The mineralization is similarly hosted by peralkaline volcanic rocks and contains lower grades of the REE magnet materials (Nd, Pr, Tb and Dy) but significantly higher grades of

Zr and Hf.”

At Awesome Fox, the 2020 channel program (7 new channels) along with previous channels has outlined a REE mineralized zone ranging from about 4-43m thick and 850m long.

Closing remarks

Earlier in 2020, rare earths expert Jack Lifton stated about Search Minerals: “I think it may well be Canada’s first commercial rare earth producer.” Given Search has completed a Resource estimate (Foxtrot, Deep Fox), a PEA (Foxtrot), has successfully produced 99% purity REO concentrate from their pilot plant and patented process, and now has a potential larger scale processing option with SRC; this all combines to suggest that Search Minerals is well on the way towards commercial production. Next steps would involve a BFS and potentially some trial production with SRC once their facility is built.

Search Mineral’s current market cap is only C$10.5M suggesting there may be plenty of upside potential ahead, especially if they continue to successfully advance towards production.