

Form 45-106F6

British Columbia Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

Issuer information

Item 1: Issuer name and contact information

Search Minerals Inc. (the "Issuer")

Name of Issuer

1320-885 West Georgia Street, P.O. Box 1045, Vancouver, British Columbia, V6C 3E8

Address

604-688-6180

Telephone Number

www.searchminerals.ca

Website Address

Item 2: Reporting issuer status

The Issuer is a reporting issuer in British Columbia, Alberta and Ontario.

Item 3: Issuer's industry

Indicate the industry of the issuer by checking the appropriate box below.

☐ Bio-tech

Financial Services

☐ investment companies and funds

☐ mortgage investment companies

☐ Forestry

☐ Hi-tech

☐ Industrial

Mining

☒ exploration/development

☐ production

☐ Oil and gas

☐ Real estate

☐ Utilities

☐ Other (describe)

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or

promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
N/A			

Details of distribution

Item 5: Distribution date

The securities were distributed on August 22, 2012.

Item 6: Number and type of securities

(a) **Describe the type of security:**

Units.

(b) **State the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date:**

532,000 units. Each unit is comprised of one common share of the Issuer (a “Share”) and one transferable Share purchase warrant (a “Warrant”). Each Warrant is exercisable into one additional Share for a period of 24 months from the closing of the private placement (the “Closing”) at the exercise price of \$0.20.

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder’s fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$)	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	2	\$0.20	\$26,400
Newfoundland and Labrador	1	\$0.20	\$80,000
Total number of Purchasers	3		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$106,400.00

Item 8: Information about purchasers

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
RJS Management Services Limited 9 Glencoe Drive Mount Pearl, NL, A1N 4S4 Raymond Saunders 709-364-4722	I	400,000 Units	\$80,000	Section 2.5 of NI 45-106	2012-08-22
TOTAL		400,000 Units	\$80,000.00		

Commissions and finder's fees

Item 9: Commissions and finder's fees

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian\$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
N/A						

Certificate

On behalf of the Issuer, I certify that the statements made in this report are true.

Date: August 29, 2012

Search Minerals Inc.
Name of issuer (please print)

James Clucas, Director 604-688-6180
Print name, title and telephone number of person signing

"James Clucas"
Signature

Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

N/A

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6500
Toll free across Canada: 1-800-373-6393
Facsimile: (604) 899-6581