

JAN 25 2018

Registration 1936

Mr. Greg Andrews
President and CEO
Search Minerals Inc.
211 – 901 West Third Street
North Vancouver BC V7P 3P9

Dear Mr. Andrews:

Re: Labrador Foxtrot Rare Earth Element Mine

Your proposal has been reviewed by an interdepartmental screening committee and an opportunity to comment has been provided to the public as required by the Newfoundland and Labrador *Environmental Protection Act, SNL 2002, cE-14.2*. Upon consideration of the comments received, I have concluded that an Environmental Impact Statement (EIS) is required to determine if the proposal may have significant environmental and social-economic impacts.

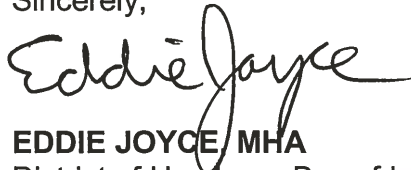
An Environmental Assessment Committee will be appointed to provide technical and scientific advice to you regarding the preparation of an EIS. As per the legislation, you will be issued guidelines for the completion of the EIS. Project information requirements will have to address, but are not limited to:

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- Effluents, emissions and potential generation of radio-active materials;
 - Effects on surrounding water bodies and ground water, local water supply, wildlife and vegetation;
 - Details on all aspects of Project infrastructure; and
 - Project scope including consideration of power supply and port facilities.

Please note that in accordance with the *Environmental Protection Act*, project activities may not proceed until the proposal is released from the environmental assessment process. The project is also subject to cost recovery to offset the costs incurred by the Crown in conducting the Environmental Assessment.

If you have any questions concerning these matters, please contact Dr. Susan Squires, Director (Acting), Environmental Assessment Division at (709) 729-0673 or susansquires@gov.nl.ca.

Sincerely,



EDDIE JOYCE / MHA
District of Humber – Bay of Islands
Minister

cc: Lisa Dempster, Minister of Children, Seniors and Social Development
District of Cartwright – L'Anse au Clair