51-102F3

Material Change Report

1. **Name and Address of Company**

   Search Minerals Inc.
   1320 – 885 West Georgia Street
   Vancouver, B.C. V6C 3X8

2. **Date of Material Change**

   January 7, 2011

3. **News Release**

   The news release was disseminated on January 7, 2011 through Stockwatch, Market News and Market Wire.

4. **Summary of Material Change**

   Search Minerals Announces Closing of First Tranche of Non-Brokered Financings

5. **Full Description of Material Change**

   5.1 Full Description of Material Change

   See attached.

   5.2 Disclosure for Restructuring Transactions

   Not applicable

6. **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102**

   Not applicable

7. **Omitted Information**

   Not applicable

8. **Executive Officer**

   For further information, contact:
   Jim Clucas, President
   Telephone 604-688-6180

9. **Date of Report**

   January 7, 2011.

search minerals inc.

TSXV: SMY

PO Box 1045, HSBC Building
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Website: www.searchminerals.ca

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SEARCH MINERALS ANNOUNCES CLOSING OF FIRST TRANCHE OF NON-BROKERED FINANCINGS

VANCOUVER, January 7, 2011 – Search Minerals Inc. ("**Search**" or the "**Company**") (TSXV: SMY) is pleased to announce that, further to its news release issued on December 10, 2010, it has closed the first tranche of its non-brokered private placement of 1,222,222 units (the "**Units**") at a price of $0.45 per Unit for gross proceeds of $549,999.90 (the "**Initial Tranche**"). Each Unit consists of one common share and one common share purchase warrant. Each warrant will entitle the holder to acquire an additional common share of Search until January 6, 2014 at a price of $0.70 per share during the first year, $0.80 during the second year and $0.90 during the third year.

All securities issued pursuant to the Initial Tranche are subject to a hold period expiring on May 7, 2011. No finders fees or commissions are payable in connection with the Initial Tranche. The Initial Tranche remains subject to the final approval of the TSX Venture Exchange.

The proceeds from the Initial Tranche will be used to finance the continued exploration of its properties located in the Port Hope Simpson district, Labrador, and for general working capital purposes.

About Search Minerals Inc.

Search Minerals Inc (TSX-V SMY) has a strong and dedicated management team with outstanding capabilities in separate but related mining activities, any of which has the potential to generate significant shareholder value. Search's mineral exploration team is led by Vice President Exploration Dr. Randy Miller. Dr. Miller is responsible for directing the current exploration programs on Search's large land position in Labrador. Search also has a technology arm headed up by Dr. David Dreisinger, Chair of Hydrometallurgy at the University of British Columbia in Vancouver, Canada, and a consultant to several major international mining companies. Search's business strategy is to fund new ideas or concepts in the mineral exploration or metallurgical fields that have low initial costs and high potential.

For further information please contact:

Search Minerals Inc.	Tel: 604-688-6180
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Chief Executive Officer	Email: jimclucas@searchminerals.ca
1320-885 West Georgia Street	
Vancouver, B.C. V6C 3E8	

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility of the adequacy or accuracy of this release.

Cautionary Statement:

Certain disclosures in this release with respect to the proposed financings and use of proceeds constitute forward-looking statements that are subject to numerous risks, uncertainties and other factors relating to the Company's operations as a mineral exploration company. Such risks and uncertainties may cause future results to differ materially from those expressed or implied in such forward-looking statements, including risks as to the completion of the financings. Readers are cautioned not to place undue reliance on forward-looking statements. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

This press release does not constitute an offer to sell or solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to a U.S. Person unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.