

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 31, 2015) - [Prophecy Development Corp.](#) ("Prophecy" or the "Company") (TSX:PCY)(OTCQX:PRPCF)(FRANKFURT:1P2) is pleased to announce that it has filed a technical report prepared in accordance with National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("NI 43-101") related to an independent mineral resource estimate for the Company's Pulacayo silver-zinc-lead project, that was prepared in accordance with the CIM Definition Standards on Mineral Resources and Mineral Reserves referenced in NI 43-101 and announced in its press release issued on June 18th, 2015. The Pulacayo deposit is located in Bolivia, 107km northeast of Sumitomo Corporation's San Cristobal silver mine, 185km southwest of [Coeur Mining Inc.](#)'s San Bartolome silver mine, and 139km north of [Pan American Silver Corp.](#)'s San Vicente silver mine.

The technical report and mineral resource estimate were prepared by Mercator Geological Services Limited ("Mercator") under supervision of Michael Cullen, P.Geo., who is an independent Qualified Person under NI 43-101, and has an effective date of June 16, 2015. Results of the mineral resource estimate prepared by Mercator for the Pulacayo project are presented below in Table 1. The technical report describing the resource estimate and prepared in accordance with NI 43-101 has been filed by the Company on the System for Electronic Document Analysis and Retrieval (SEDAR). There have been no changes to the mineral resource estimate since its disclosure by press release on June 18th, 2015.

Table 1: Pulacayo Indicated and Inferred Mineral Resource Statement Details

Pulacayo Mineral Resource Statement - Effective June 16, 2015

Ag Eq. Cut-Off (g/t)	Category	Tonnes**	Ag (g/t)	Pb (%)	Zn (%)	Ag Eq. (g/t)
400	Indicated	2,080,000	455	2.18	3.19	594
	Inferred	480,000	406	2.08	3.93	572
500*	Indicated	1,270,000	530	2.51	3.63	688
	Inferred	350,000	419	2.47	4.58	620
600	Indicated	750,000	608	2.91	4.02	785
	Inferred	170,000	394	3.49	6.75	710

Notes:

1. Mineral resources are estimated in conformance with the CIM Standards referenced in NI 43-101.
2. Raw silver assays were capped at 1,700 g/t, raw lead assays were capped at 15% and raw zinc assays were capped at 15%.
3. Silver equivalent Ag Eq. (g/t) = $Ag(g/t) \times 89.2\% + (Pb\% \times (US\$0.94/lb. Pb / 14.583 Troy oz./lb. / US\$16.50 per Troy oz. Ag) \times 10,000 \times 91.9\%) + (Zn\% \times (US\$1.00/lb. Zn / 14.583 Troy oz./lb. / US\$16.50 per Troy oz. Ag) \times 10,000 \times 82.9\%)$.
Metal prices used in the silver equivalent calculation are US\$16.50/Troy oz. Ag, US\$0.94/lb Pb and US\$1.00/lb Zn. Metal recoveries 89.2% Ag, 91.9% Pb, 82.9% Zn. used in the silver equivalent equation reflect historic metallurgical results disclosed previously by [Apogee Silver Ltd.](#)
4. Metal grades were interpolated within wireframed, three dimensional silver domain solids using Geovia-Surpac Ver. 6.6.1 software and inverse distance squared interpolation methods. Block size is 10m(X) by 10m(Z) by 2m(Y). Historic mine void space was removed from the model prior to reporting of resources.
5. Block density factors reflect three dimensional modeling of drill core density determinations.
6. Mineral resources are considered to have reasonable expectation for economic development using underground mining methods based on the deposit history, resource amount and metal grades, current metal pricing and comparison to broadly comparable deposits elsewhere.
7. Rounding of figures may result in apparent differences between tonnes, grade and contained ounces.
8. Mineral resources that are not mineral reserves do not have demonstrated economic viability.
9. *Mineral resource statement cut-off value; resource statement values are presented in bolded form.
10. **Tonnes are rounded to nearest 10,000.

Between 2006 and 2012, a total of 69,739 metres of diamond drilling (226 surface and 42 underground drill holes) was conducted at Pulacayo, results of which support the mineral resource estimate reported in this, and the June 18th, 2015, news release. Verification and validation checks on the sampling method, sample shipment documentation and analytical data were carried out by Mercator in support of the current resource estimate and Prophecy independently carried out additional database checks with satisfactory results. Review of quality control and quality assurance program results that include analyses for duplicate, blank, certified reference material and third party check sample materials was also performed by Mercator with acceptable results. The methods and assumptions used to interpolate metal grade including variography, search ellipse orientation and dimensions, drill hole density, and geological interpretation are considered reasonable for this type of epithermal mineral deposit. Block model results were compared to assay composites and ordinary kriging results and all show acceptable correlation to underlying data. The Pulacayo site is currently permitted for production at a milling rate of 560 tonnes per day and no known legal, political, environmental, or other risks that would materially affect potential future development had been identified by Prophecy at the June 16th, 2015 effective date of the mineral resource estimate. .

Qualified Persons

The technical content of this news release was reviewed and approved by Christopher M. Kravits, P. Geo., who is a Qualified

Person within the meaning of NI 43-101. Mr. Kravits is a consultant to the Company and serves as its Qualified Person and General Mining Manager. Michael Cullen, P. Geo., of Mercator Geological Services Limited is the Qualified Person within the meaning of NI 43-101 who supervised preparation of, and is responsible for, the June 16, 2015 Pulacayo technical report and mineral resource estimate presented in this press release.

About Prophecy

[Prophecy Development Corp.](http://www.prophecydev.com) is a Canadian public company listed on the Toronto Stock Exchange that is engaged in developing mining and energy projects in Mongolia, Bolivia and Canada. Further information on Prophecy can be found at www.prophecydev.com.

About Mercator

Mercator Geological Services Limited is a Canadian consulting firm founded in 1997 that offers a broad range of professional project management services including technical reporting to standards referenced in NI 43-101, exploration program management, and professional staffing for both small and large mineral exploration projects. Mercator has completed mineral exploration and resource estimation programs both domestically and internationally and prepared two Pulacayo deposit mineral resource estimations for Apogee during the 2011 to 2013 period.

[Prophecy Development Corp.](http://www.prophecydev.com)

ON BEHALF OF THE BOARD

JOHN LEE, Executive Chairman

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

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this news release, including statements which may contain words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or similar expressions, and statements related to matters which are not historical facts, are forward-looking information within the meaning of applicable securities laws. Such forward-looking statements, which reflect management's expectations regarding Prophecy's future growth, results of operations, performance, business prospects and opportunities, are based on certain factors and assumptions and involve known and unknown risks and uncertainties which may cause the actual results, performance, or achievements to be materially different from future results, performance, or achievements expressed or implied by such forward-looking statements. These estimates and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies, many of which, with respect to future events, are subject to change and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by Prophecy. In making forward-looking statements as may be included in this news release, Prophecy has made several assumptions that it believes are appropriate, including, but not limited to assumptions that: there being no significant disruptions affecting operations, such as due to labour disruptions; currency exchange rates being approximately consistent with current levels; certain price assumptions for coal, prices for and availability of fuel, parts and equipment and other key supplies remain consistent with current levels; production forecasts meeting expectations; the accuracy of Prophecy's current mineral resource estimates; labour and materials costs increasing on a basis consistent with Prophecy's current expectations; and that any additional required financing will be available on reasonable terms. Prophecy cannot assure you that any of these assumptions will prove to be correct.

Numerous factors could cause Prophecy's actual results to differ materially from those expressed or implied in the forward-looking statements, including the following risks and uncertainties, which are discussed in greater detail under the heading "Risk Factors" in Prophecy's most recent Management Discussion and Analysis and Annual Information Form as filed on SEDAR and posted on Prophecy's website: Prophecy's history of net losses and lack of foreseeable cash flow; exploration, development and production risks, including risks related to the development of Prophecy's mineral properties; Prophecy not having a history of profitable mineral production; the uncertainty of mineral resource and mineral reserve estimates; the capital and operating costs required to bring Prophecy's projects into production and the resulting economic returns from its projects; foreign operations and political conditions, including the legal and political risks of operating in Bolivia, which is a developing jurisdiction; amendments to local Bolivian laws which may have an adverse impact on the Company's operations; title to Prophecy's mineral properties; environmental risks; the competitive nature of the mining business; lack of infrastructure; Prophecy's reliance on key personnel; uninsured risks; commodity price fluctuations; reliance on contractors; Prophecy's need for substantial additional funding and the risk of not securing such funding on reasonable terms or at all; foreign exchange risks; anti-corruption legislation; recent global financial conditions; the payment of dividends; and conflicts of interest.

These factors should be considered carefully, and readers should not place undue reliance on Prophecy's forward-looking statements. Prophecy believes that the expectations reflected in the forward-looking statements contained in this news release

and the documents incorporated by reference herein are reasonable, but no assurance can be given that these expectations will prove to be correct. In addition, although Prophecy has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Prophecy undertakes no obligation to release publicly any future revisions to forward-looking statements to reflect events or circumstances after the date of this news or to reflect the occurrence of unanticipated events, except as expressly required by law.

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