

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Aug 27, 2015) - [Prophecy Development Corp.](#) ("Prophecy" or the "Company") (TSX:PCY)(OTCQX:PRPCF)(FRANKFURT:1P2) is pleased to announce further to its press release dated August 20, 2015, the assay results of the first group of 30 samples collected from the district exploration program at its Pulacayo project. The assayed samples are not representative of the sample population.

| Sample | Target | Sampling Method | Interval | Ag (g/t) | Cu (%) | Pb (%) | Sb (%) | Zn (%) | Au (g/t) | Ag Eq (g/t) | Sb Eq (%) |
|--------|----------|---------------------|------------|----------|--------|--------|--------|--------|----------|-------------|-----------|
| EA004 | EL ABRA | chip channel sample | 2 meters | 0.72 | 0.00 | 0.00 | 0.06 | 0.00 | <0.2 | 12.4 | 0.09 |
| EA049 | EL ABRA | chip channel sample | 2 meters | 5.64 | 0.01 | 1.56 | 2.54 | 0.00 | <0.2 | 502.7 | 3.63 |
| EA-065 | EL ABRA | chip channel sample | 2 meters | 38.90 | 0.01 | 0.66 | 0.48 | 0.00 | <0.2 | 145.2 | 1.05 |
| EA-066 | EL ABRA | chip channel sample | 2 meters | 21.50 | 0.01 | 0.73 | 0.59 | 0.00 | <0.2 | 149.8 | 1.08 |
| EA-073 | EL ABRA | chip channel sample | 2 meters | 1.91 | 0.00 | 0.22 | 0.24 | 0.00 | <0.2 | 50.7 | 0.37 |
| EA-48 | EL ABRA | chip channel sample | 2 meters | 3.18 | 0.00 | 0.44 | 0.49 | 0.00 | <0.2 | 103.4 | 0.75 |
| EA-51 | EL ABRA | chip channel sample | 2 meters | 5.59 | 0.01 | 0.30 | 0.90 | 0.00 | <0.2 | 173.4 | 1.25 |
| MPU-49 | PACAMAYO | chip channel sample | 1 meter | 18.60 | 0.03 | 0.04 | 0.06 | 0.02 | <0.2 | 31.0 | |
| MPU-67 | PACAMAYO | chip channel sample | 1 meter | 30.10 | 0.23 | 0.34 | 0.23 | 0.49 | <0.2 | 113.7 | |
| MPU-68 | PACAMAYO | chip channel sample | 1 meter | 18.20 | 0.01 | 0.46 | 0.01 | 0.67 | <0.2 | 60.2 | |
| MPU-69 | PACAMAYO | chip channel sample | 0.60 meter | >1500 | 1.97 | 2.29 | 1.79 | 2.40 | <0.2 | 2114.4 | |
| MPU-70 | PACAMAYO | chip channel sample | 0.60 meter | >1500 | 1.06 | 0.80 | 0.85 | 1.15 | <0.2 | 1795.0 | |
| MPU-74 | PACAMAYO | chip channel sample | 1 meter | 1330.00 | 1.60 | 0.01 | 2.25 | 0.42 | 0.4 | 1820.4 | |
| MPU-75 | PACAMAYO | chip channel sample | 1 meter | 135.00 | 1.24 | 0.01 | 1.34 | 0.29 | 0.3 | 457.7 | |
| MPU-76 | PACAMAYO | chip channel sample | 1 meter | 71.70 | 1.18 | 0.01 | 1.03 | 0.25 | <0.2 | 344.4 | |
| MPU-77 | PACAMAYO | chip channel sample | 1 meter | >1500 | 3.10 | 17.6 | 2.49 | 6.96 | <0.2 | 3014.5 | |
| PC-002 | PACA | chip channel sample | 2 meters | 226.00 | 0.04 | 2.16 | 0.05 | 0.08 | <0.2 | 303.1 | |
| PC-005 | PACA | chip channel sample | 2 meters | 377.00 | 0.05 | 1.64 | 0.03 | 0.05 | <0.2 | 434.8 | |
| PC-006 | PACA | chip channel sample | 2 meters | 71.4.0 | 0.03 | 0.64 | 0.02 | 0.04 | <0.2 | 94.6 | |
| PC-008 | PACA | chip channel sample | 2 meters | 83.90 | 0.01 | 1.00 | 0.01 | 0.03 | <0.2 | 119.2 | |
| PC-009 | PACA | chip channel sample | 2 meters | 182.00 | 0.01 | 0.31 | 0.01 | 0.02 | <0.2 | 193.3 | |
| PC-011 | PACA | chip channel sample | 2 meters | 833.00 | 0.00 | 0.03 | 0.01 | 0.03 | <0.2 | 835.3 | |
| PC-012 | PACA | chip channel sample | 2 meters | 52.10 | 0.01 | 1.25 | 0.04 | 0.05 | <0.2 | 96.7 | |
| PC-013 | PACA | chip channel sample | 2 meters | 105.00 | 0.03 | 2.22 | 0.07 | 0.10 | <0.2 | 184.7 | |
| PC-014 | PACA | chip channel sample | 2 meters | 60.00 | 0.01 | 0.70 | 0.02 | 0.03 | <0.2 | 85.1 | |
| PC-015 | PACA | chip channel sample | 2 meters | 45.80 | 0.00 | 0.19 | 0.01 | 0.03 | <0.2 | 53.5 | |
| PC-016 | PACA | chip channel sample | 2 meters | 330.00 | 0.01 | 0.06 | 0.01 | 0.04 | <0.2 | 333.5 | |
| PC-017 | PACA | chip channel sample | 2 meters | 219.00 | 0.01 | 0.10 | 0.01 | 0.03 | <0.2 | 223.6 | |
| PC-018 | PACA | chip channel sample | 2 meters | 190.00 | 0.02 | 0.62 | 0.03 | 0.09 | <0.2 | 214.4 | |
| PC-020 | PACA | chip channel sample | 2 meters | 70.50 | 0.05 | 1.15 | 0.04 | 0.07 | <0.2 | 112.6 | |

Prices used for calculating Ag Eq and Sb Eq (antimony) are as of August 21, 2015 and are: USD \$15.35/oz for Ag, USD \$2.29/lb for Cu, USD \$0.77/lb for Pb, USD \$3.10/lb for Sb, and USD \$0.80/lb for Zn according to the London Metals Exchange spot prices for Ag, Cu, Pb, Zn and according to <http://www.senarecom.gob.bo> (Bolivian National Organization for Registration and Trade for Minerals and Metals) for Sb. No metal recoveries are applied. Au values are not used in calculating Ag Eq and Sb Eq.

During this first phase of district exploration, 495 samples were collected. However, due to backlog at the testing laboratory, Prophecy prioritized the most prospective samples for delivery to ALS Geochemistry Laboratory in Oruro, Bolivia ("ALS") for assay. These results are from the first group of samples Prophecy delivered which included QA/QC samples. These were assessed and found no significant variation from the accepted values which supports the validity of the assay results. Records were kept to document the secure handling of the samples and to verify their identities were maintained. ALS is a qualified and accredited independent laboratory.

Chip channel samples MPU-69 (taken at 0.6m interval), MPU-70 (taken at 0.6m interval), MPU-77 (taken at 1m interval) returned silver assay results that are greater than the 1,500 g/t detection limit. Those samples are now undergoing umpire assay for precious metals content using methods having a greater upper detection limit. Results are expected to be received in approximately three weeks.

Also notable are the anomalous antimony (Sb) grade results obtained from a number of El Abra and Pacamayo samples. This is encouraging because there has been no historic record of antimony production from the Pulacayo district or the surrounding region.

Detailed geological mapping and close-spaced sampling from surface trenches and underground tunnels were conducted at four priority target areas: El Abra, Pero, Paca North and Pacamayo. The detailed geological mapping has provided better information on the possible extent of mineralization.

Multiple zones at Pulacayo district are now found to contain silver, zinc, lead, gold, copper, antimony and indium minerals.

A district exploration presentation and maps are available at www.prophecydev.com, along with high resolution, close-up pictures of the assayed samples.

Target Descriptions:

El Abra antimony-silver-lead target (184 samples obtained):

El Abra is located north west of the Tajo vein system where a hydrothermal breccia system was identified. Strong lead and antimony anomalies were found in the samples. Antimony anomalies were specially associated to siliceous structures whereas lead anomalies are continuous and associated mainly with the oxidation and several sectors of cerusite (PbCO_3). Cerusite usually occurs in the oxidation zone of lead deposits produced by chemical alteration of galena. The chip channel outcrop samples taken at 2m interval, showed the presence of galena crystals and assay of samples yielded antimony values up to 2.54%, silver values up to 38.9g/t and lead values of up to 1.56%. Geological mapping found visible metallic sulphides, greater extent of oxidation and indicator minerals suggesting mineralization at depth, closer to surface with a potential conservative depth of 75m, and approximate dimensions of 250m long by 110m wide.

Pero silver-lead target (165 samples obtained):

Located south east of the Tajo vein system where reconnaissance mapping and sampling identified several veinlets of mineralization that developed into a stockwork. Limited chip channel rock sampling taken at 0.5-2m interval carried out in 2008 by [Apogee Silver Ltd.](#) yielded samples with assay values ranging from 15 to 262 g/t silver and ranging from 0.2 to 2.3% lead. A second group of 30 prospective samples are from the Pero target, and have been submitted to ALS for assay with results expected in September.

Paca North silver-lead target (21 samples obtained):

Located approximately 1km north of Paca's historic open-pit resource boundary and 7km north of the Tajo vein system. The target consists of a sequence of conglomerates with a siliceous matrix with a length of 200m, width of 18m, and variable height from 3 to 45m. The conglomerate consists of clasts of quartzites up to 30 cm diameter in a siliceous matrix with sulphides and barite. Below the conglomerate, is an argillaceous tuff with veinlets of barite trending east-west. In the conglomerate five old adits with a maximum length of 60m and two shafts were developed in the conglomerate and in a fault contacting the conglomerate. The total target area has an estimated dimension of 400m long, 100m wide and 50m deep. The first group of chip channel samples taken at 2m interval from the cobbles of the conglomerate at the surface yielded silver values ranging from 45 g/t to 833 g/t and lead values up to 2.22%.

Pacamayo silver-copper-antimony-lead-zinc target (125 samples obtained):

Located north east of the Tajo vein system where four veins were identified on the surface with estimated thickness of 2m and an estimated width of 26m. In underground mines developed by local residents, exposures of extensive vein development have been observed with an estimated width of 1.5m. Strong oxidation, indicator minerals and geological features found during the geological mapping suggest Pacamayo mineralization may be similar to the Tajo vein system and mineralization may be found at depth. Select underground chip channel samples taken at 0.6-1m interval returned high-grade assays of over 1,500 g/t Ag (beyond detection limit), up to 3.1% copper, up to 17.6% lead, up to 2.49% antimony, and up to 6.9% zinc.

The assay results from the two groups of samples (60 assayed samples total) will be integrated with the geological mapping and existing IP survey data to refine the geology of the targets. Drilling plans will then be developed for the second phase of this systematic district exploration program.

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.

About Prophecy

[Prophecy Development Corp.](#) 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

[Prophecy Development Corp.](#)

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.

Contact

[Prophecy Development Corp.](#)

Investor Relations

+1.604.563.0699

+1.888.513.6286

ir@prophecydev.com

www.prophecydev.com