

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Sep 10, 2015) - [Prophecy Development Corp.](#) ("Prophecy" or the "Company") (TSX:PCY)(OTCQX:PRPCF)(FRANKFURT:1P2) has received results from preliminary metallurgical test work conducted on samples collected from various tailings piles at its Pulacayo project that resulted from historic mining and processing.

Quality and recovery of the final lead and zinc concentrates from differential flotation tests

Tailings Pile at Pulacayo	Head grades			Lead final concentrate			Zinc final concentrate			Lead final concentrate recovery			Zinc final concentrate recovery			Lead final concentrate weight	Zinc final concentrate weight
	Ag g/t	Zn %	Pb %	Ag g/t	Zn %	Pb %	Ag g/t	Zn %	Pb %	Ag %	Zn %	Pb %	Ag %	Zn %	Pb %	%	%
Pulacayo Tailings 2	165	0.38	0.36	3765	-	10.02	-	-	-	64.39	-	-	-	-	-	3.70	-
Pulacayo Tailings 3	350	0.19	0.98	1625	-	7.08	-	0.26	-	54.23	-	-	-	-	-	8.55	-
Pulacayo Tailings 1	98	0.21	0.26	480	0.21	0.29	-	0.20	-	1.68	-	0.53	-	-	-	0.30	-
Pero Tailings 1	220	0.41	0.23	2830	0.72	20.76	-	-	-	3.28	-	14.42	-	-	-	0.25	-
Pacamayo Tailings 1	370	0.26	2.05	2800	1.03	38.88	1960	46.01	5.22	13.38	2.53	22.24	3.45	41.73	0.30	1.44	0.53
Paca Tailings 2	140	0.26	0.39	170	-	1.27	3600	0.29	-	4.18	-	-	59.73	-	-	4.42	2.98

Approximate dimensions of the tailings piles are tabulated below. Refer to press release dated February 2, 2015 for more details.

Tailings Pile	Size of the pile			Arithmetic mean grade					Number of Samples
	Width m	Length m	Height m	Ag g/t	Au g/t	In g/t	Pb %	Zn %	
Pulacayo Tailings 1	135	90	25	47	0.2	3.9	0.13	0.15	91
Pulacayo Tailings 2	70	100	30	111	1.2	7.2	0.21	0.24	105
Paca Tailings 2	125	70	7	227	<0.2	0.6	0.55	0.06	5
Pacamayu Tailings	35	220	7	119	<0.2	9.4	0.91	0.36	34
Pero Tailings 1	90	30	12	296	<0.2	3.4	0.99	0.30	35
Pero Tailings 2	65	60	7	224	0.2	18.1	1.04	0.52	4
Candelaria Tailings	30	80	5	36	<0.2	2.2	0.30	0.46	4
Flores Tailings 4	13	95	9	44	<0.2	5.0	1.86	3.42	7
Pulacayo Tailings 3	65	45	3	376	0.9	69.7	1.74	1.31	5
Paca Tailings 1	15	45	5	206	<0.2	0.1	1.41	1.00	3
Flores Tailings 1	8	25	5	34	<0.2	5.2	1.46	3.06	4
Rotchild Tailings	4.5	3.5	3	122	<0.2	13.0	2.50	0.31	2

Arithmetic mean grade = total of all grade values/number of samples.

It should be noted that samples collected from designated tailings piles may not be representative of the respective pile given their heterogeneity resulting from accumulation at various times throughout Pulacayo's 200 years of historical mining and processing.

The metallurgical tests were conducted at the Laboratory of Minerals Concentration located in La Paz, Bolivia. The laboratory is part of the Engineering Faculty of the Higher University of San Andrés (UMSA) and specializes in the creation and execution of metallurgical experimental work in ferrous, non-ferrous and non-metallic minerals, with over 50 years of experience in services to the mining and metallurgical community within and outside Bolivia. The chemical analyses were performed by Cap Analysis of El Alto, Bolivia, an independent laboratory recognized in Bolivia, with over 40 years' experience serving the mining and metallurgy industry. The metallurgical testing and chemical analyses were supervised by Professor Eduardo Solíz Ruiz, a metallurgical engineer with relevant specializations and over 35 years' experience.

The result highlights include differential flotation tests producing lead concentrate with silver grade 3,765 g/t Ag at 64.5% Ag recovery (sample Pulacayo Tailing 2) and a zinc concentrate with silver grade 3,600 g/t Ag at 59.7% Ag recovery (sample Paca Tailing 2). In addition, five of the six samples produced lead or zinc concentrate having a silver grade greater than 1,000 g/t.

The relatively high silver grades in the flotation concentrates from most of the tailings samples suggests the tailings piles could provide the base feed to Prophecy's proposed on-site concentrator (mill). Further, the grade of the flotation concentrates suggest the tailings piles may be suitable blending candidates with future freshly-mined ore from either the Pulacayo or Paca deposits that would be processed at Prophecy's proposed on-site concentrator.

There is potential to improve the metal recoveries. In a number of bench scale tests (samples: Pulacayo Tailings 2, Pulacayo

Tailings 3, Pero Tailings 1, Pacamayo Tailings 1) a significant amount of pyrite was floated together with minerals containing valuable materials. A moderate amount of clay was also found in some samples. Native silver is also observed in many of the tests. Professor Ruiz recommended that silver leaching tests be performed using hydrochloric acid or cyanide to improve recovery and it is known that control of pyrite and clay will also improve recovery. Professor Ruiz also recommended that flotation tests be done on a blend of freshly mined ore from Pulacayo with materials from the tailing piles because this could lead to better response to the flotation processes.

Summaries of the Metallurgical Tests:

Pulacayo Tailings 2 (head grade: Ag 165 g/t, Zn 0.38% and Pb 0.36%):

A bulk flotation test was done in order to obtain a concentrate with recovered silver, lead and zinc bearing minerals. The recovery of silver from this test reached 72.79% and the final concentrate grade assayed Ag 270 g/t, 0.36% Pb and 0.38% Zn. A significant amount of pyrite was floated together with the valuable minerals. A differential flotation test was performed and the lead final concentrate assayed Ag 3,765 g/t and Pb 10.02%. The recovery of the silver in the lead final concentrate reached 64.39%. The sample contained clay which may have decreased the recovery of metals. The test is considered somewhat successful because potentially saleable concentrate was obtained at an acceptable recovery level for silver. Control of the pyrite and clay may increase recoveries to make a saleable product.

Pulacayo Tailings 3 (head grade: Ag 350 g/t, Zn 0.19% and Pb 0.98%):

A bulk flotation test was done in order to obtain a concentrate with recovered silver, lead and zinc bearing minerals. The recovery of silver from this test reached 67.81% and the final concentrate grade assayed Ag 550 g/t with insignificant amounts of lead and zinc. A significant amount of pyrite was floated together with the valuable minerals. A differential flotation test was performed and the lead final concentrate assayed Ag 1,625 g/t and Pb 7.08%. Silver recovery reached 54.23%. The silver appears to be in the native state which may be a reason for the poor response of the sample to differential flotation testing. It is recommended to carry out further mineralogical studies and perform leach testing on the sample to possibly improve the recovery of silver.

Differential flotation tests were performed on the remaining 4 samples (Pulacayo Tailings 1, Pero Tailings 1, Pacamayo Tailings 1 and Paca Tailings 2). The summary of the tests results is given below:

Pulacayo Tailings 1 (head grade: Ag 98 g/t, Zn 0.21% and Pb 0.26%):

The lead final concentrate assayed Ag 480 g/t, Pb 0.29% and Zn 0.21%, and silver recovery reached 1.68%. Although depression of pyrite was good, the test failed to produce sealable concentrate and acceptable silver recovery. The sample contained moderate amounts of pyrite and clay and the silver appears to be in the native state which may be reasons for the poor response of the sample to differential flotation testing. It is recommended to carry out further mineralogical studies and perform leach testing on the sample to possibly improve the recovery of silver. Also, recoveries could increase if normal methods are used to control the pyrite and clay.

Pero Tailings 1 (head grade: Ag 220 g/t, Zn 0.41% and Pb 0.23%):

The lead final concentrate assayed Ag 2,830 g/t and Pb 20.76%, silver recovery reached 3.28% and lead recovery reached 14.42%. The test produced low recovery of silver and lead, mainly due to a significant amount of pyrite in the sample which was floated together with the valuable minerals. Also the silver appears to be in the native state which may be a reason for the poor response of the sample to differential flotation testing. It is recommended to carry out further mineralogical studies and perform leach testing on the sample to possibly improve the recovery of silver.

Pacamayo Tailings 1 (head grade: Ag 370 g/t, Zn 0.26% and Pb 2.05%):

The lead final concentrate assayed Ag 2,800 g/t and Pb 38.88%, silver recovery reached 13.38% and lead recovery reached 22.24%. The zinc final concentrate assayed Ag 1,960 g/t and Zn 46.01%, silver recovery reached 3.45% and zinc recovery 41.73%. The test produced low recovery of silver and lead, mainly due to a significant amount of pyrite in the sample which was floated together with the valuable minerals. The sample also contained a moderate amount of clay and the silver appears to be in the native state which may be reasons for the poor response of the sample to differential flotation testing. It was recommended to carry out further mineralogical studies and perform leach testing on the sample to possibly improve the recovery of silver. Also, recoveries could increase if normal methods are used to control the pyrite and clay.

Paca Tailings 2 (head grade: Ag 140 g/t, Zn 0.26% and Pb 0.39%):

The lead final concentrate assayed Ag 170 g/t and Pb 1.27%, silver recovery reached 4.18% and lead recovery is negligible.

The zinc final concentrate assayed Ag 3,600 g/t and Zn 0.29%, silver recovery reached 59.73% and zinc recovery is negligible. This sample contained little pyrite but a moderate amount of clay. The test produced potentially sealable concentrate at acceptable recovery levels for silver yet recovery could be increased if normal methods are used to control the clay.

The detailed report along with the test's flowcharts can be downloaded at www.prophecydev.com.

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.](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.

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ON BEHALF OF THE BOARD

JOHN LEE, Executive Chairman

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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 or +1.888.513.6286

ir@prophecydev.com

www.prophecydev.com