Vancouver, British Columbia (FSCwire) - Prophecy Development Corp. (“Prophecy” or the “Company”) (TSX:PCY, OTCQX:PRPCF, Frankfurt:1P2) announces that it has closed a non-brokered private placement (the “Placement”) involving the issuance of 8,000,000 units (each a “Unit”) at a price of $0.025 per Unit. Each Unit consists of one Common share in the capital of the Company (a “Share”) and one Share purchase warrant (a “Warrant”). Each Warrant entitles the holder to acquire an additional Share at a price of $0.04 per Share for a period of five years from the date of issuance.

The Warrants will be subject to the following acceleration conditions:

(i) in the event that the closing price of the Shares trading on the Toronto Stock Exchange (the “TSX”) exceeds $0.15 per Common Share; or

(ii) the closing spot price of silver as quoted by KITCO Metals Inc. exceeds USD$25.00 per ounce,

in either instance, for a period of over 30 consecutive calendar days, at Prophecy’s election, the exercise period may be reduced in which case, Warrant holders will only be entitled to exercise their Warrants for a period of 30 days from the date the Company either disseminates a press release or sends written notice to the Warrant holders advising them of the reduced and accelerated exercise period after which, the Warrants will expire.

The Shares will be subject to a minimum hold period of four months plus one day from the date of issue.

The Company paid in cash, finder’s fees totaling $14,000 and issued 560,000 finder’s Common share purchase warrants which are exercisable at a price of $0.04 for a period of two years from the closing of the Placement and are subject to the same acceleration conditions as the Warrants.

Proceeds of the Placement are expected to be used to develop Prophecy’s mineral projects and for general working capital purposes.

The Company also announces that it has entered into settlement and release agreements (the “Settlement Agreements”) with certain of its officers, employees and consultants to settle various debts owing to them on January 13, 2016. Pursuant to the terms of those Settlement Agreements, the Company has agreed, subject to approval from the Toronto Stock Exchange, to issue, in aggregate, up to 6,138,499 Common shares at a deemed price of $0.03 per Common share, to those officers, employees and consultants through its Share-Based Compensation Plan which was approved by shareholders at the Company’s annual general meeting of shareholders held on June 19, 2014. There were no shares allocated or issued to Company directors or its Executive Chairman.

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 www.prophecydev.com.

Prophecy Development Corp.

ON BEHALF OF THE BOARD

“JOHN LEE”

Executive Chairman

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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.

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 factors should be considered carefully, and readers should not place undue reliance on the 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.

To view this press release as a PDF file, click onto the following link:
public://news_release_pdf/ProphecyDev01252016.pdf

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