

Vancouver, British Columbia (FSCwire) - [Prophecy Development Corp.](#) ("Prophecy" or the "Company") (TSX:PCY, OTC:PRPCD, Frankfurt:1P2N) is pleased to announce that it has signed a Letter of Intent ("LOI") to lease the following mining equipment from the Bolivian company, Oroscons S.R.L. ("Oroscons"), which will be used for open-pit mining at the Company's Paca deposit, located 7km north of the Pulacayo deposit:

Equipment	Model Year	Capacity	Quantity
Loader Cat 966G	2007	4 m ³	1
Excavator Cat 325CL	2006	2.3 m ³	2
Grader Cat 140H	2007	185 HP	1
Compactor Cat 533D	2008	12 t	1
Dump Truck Volvo F12	2005	12 m ³	5
Water Truck Volvo F12	2004	15 m ³	1
Dozer Cat D8R	2004	305 HP	1

According to the LOI, the lease will commence on March 1, 2017, when the equipment is to be delivered to the Paca project site, commissioned and made available for Prophecy's use. The lease term will be for 12 months. The equipment lease cost (except in the case of the Volvo dump trucks and water truck listed above) will be calculated according to operating machine hours and will include (but not be limited to): fuel, lubricants, maintenance, repair, operator salary and food. The Volvo dump trucks and water truck lease cost will be fixed according to a monthly fee and will not include operator and diesel fuel costs.

The LOI provides for a payment of US\$900 per equipment piece for mobilization, commissioning and 10% of the estimated total monthly lease cost prior to mobilization, with the balance of the monthly lease cost, to be calculated according to actual operating machine hours used, due by the first week of the following month.

Oroscons will be responsible for delivering the equipment to Pulacayo and ensuring that it is in good and operable condition. Proper preventative maintenance and repair will be carried out regularly by Oroscons and will include replacement of any inoperable equipment when needed so that Prophecy can continue its operations uninterrupted.

The LOI will expire without any effect to either party if a final mining equipment lease contract is not signed between them on or before March 1, 2017.

Based on Prophecy's estimation, the equipment to be leased from Oroscons will enable the Paca project to be mined at a minimum production rate of 200 tonnes of ore per day. The Company expects to lease rock blasting equipment separately, from another supplier. A positive production decision would not be based on a feasibility study of mineral reserves demonstrating economic and technical viability so would carry increased uncertainty and the risk of failure as to the mining method and profitability.

Qualified Persons

The technical content of this news release and the materials referred to in this news release were reviewed and approved by Christopher M. Kravits, CPG, LPG, 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 www.prophecydev.com.

[Prophecy Development Corp.](#)

ON BEHALF OF THE BOARD

“JOHN LEE”
Executive Chairman

For more information about Prophecy, please contact Investor Relations:

+1.888.513.6286

ir@prophecydev.com

www.prophecydev.com

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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 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.

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