

## **Prophecy Reports 2.08 Million Tonnes of Indicated Resource Grading: 455 g/t Silver, 3.19% Zinc, 2.18% Lead (594 g/t Ag Eq.) for Pulacayo Project**

22.11.2017 | [FSCwire](#)

Vancouver, British Columbia (FSCwire) - [Prophecy Development Corp.](#) ("Prophecy" or the "Company" (TSX:PCY, OTCQX:PRPCF, Frankfurt:1P2) has received an independent technical report with an effective date of October 2017 titled "Updated Mineral Resource Estimate and Technical Report for the Pulacayo Project" (the "Report"). The Report was prepared by Mercator Geological Services Limited ("Mercator") of the Company's Pulacayo project (the "Project") and has been filed under the Company's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com).

The Project is located in Bolivia, 107 km northeast of Sumitomo Corporation's San Cristobal silver mine, 185 km northeast of [Coeur Mining Inc.](#)'s San Bartolome silver mine, and 139 km north of [Pan American Silver Corp.](#)'s San Antonio silver mine.

The Report describes resources estimated following the guidelines of the CIM Definition Standards for Mineral Resources and Mineral Reserves.

Two mineral resource estimates were disclosed according to the requirements of National Instrument 43-101 "Standards of Disclosure for Mineral Projects" (NI 43-101) – one for the Pulacayo deposit and the second for the San Antonio deposit.

#### Pulacayo Deposit

Results of the mineral resource estimate prepared by Mercator for the Pulacayo deposit are presented below in Table 1. The Report filed on SEDAR documents the resource estimate.

The Report outlined 2.08 million tonnes at a weighted average grade of Ag 455 g/t, Pb 2.18%, Zn 3.19% (Ag Eq. 594 g/t) in the indicated category and 0.48 million tonnes at a weighted average grade of Ag 406 g/t, Pb 2.08%, Zn 3.93% (Ag Eq. 572 g/t) in the inferred category. The contained metal content estimated by the Company, of the indicated category resources is 30.4 million ounces of silver, 100.0 million pounds of lead, 146.3 million pounds of zinc. The contained metal content estimated by the Company, of the inferred category resource is 6.3 million ounces of silver, 22.0 million pounds of lead, and 41.6 million pounds of zinc (more resource details in the table below).

Table 1. Pulacayo Indicated and Inferred Mineral Resource Statement Details

Pulacayo Mineral Resource Statement – Effective October 20, 2017						
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

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) =  $\text{Ag (g/t)} \times 89.2\% + (\text{Pb\%} \times (\text{US\$0.94/lb. Pb} / 14.583 \text{ Troy oz./lb.} / \text{US\$16.50 per Troy oz. Ag}) \times 10,000 \times 91.9\%) + (\text{Zn\%} \times (\text{US\$1.00/lb. Zn} / 14.583 \text{ Troy oz./lb.} / \text{US\$16.50 per Troy oz. Ag}) \times 10,000 \times 82.9\%)$ .

(4) 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. Recoveries used in the silver equivalent equation reflect historic metallurgical results disclosed by Apogee Silver Ltd. (Pulacayo Project) in 2013.

(5) Metal grades were interpolated within wire-framed, three-dimensional silver domain solids using Geovia-Surpac V4.12.

software and inverse distance squared interpolation methods. Block size is 10m(X) by 10m(Z) by 2m(Y). Historic mine was removed from the model prior to reporting of resources.

(6) Block density factors reflect three-dimensional modeling of drill core density determinations.

(7) Mineral resources are considered to have reasonable expectation for economic development using underground methods based on the deposit history, resource amount and metal grades, current metal pricing and comparison to broadly comparable deposits elsewhere.

(8) Rounding of figures may result in apparent differences between tonnes, grade and contained ounces.

(9) Mineral resources that are not mineral reserves do not have demonstrated economic viability.

(10) \* Tonnes are rounded to nearest 10,000.

The contained metals estimated by the Company based on in the October 20, 2017 resource estimate by Mercator are in Table 2.

Table 2: Contained Metals Based on October 20, 2017 Pulacayo Deposit\*\* Mineral Resource Estimate

Metal	Indicated Resource	Inferred Resource
Silver	30.4 million oz.	6.3 million oz.
Lead	100.0 million lbs.	22.0 million lbs.
Zinc	146.3 million lbs.	41.6 million lbs.

\*\*Based on the resource estimate Ag Eq. cut-off value of 400 g/t and 100% recovery; figures are rounded to the nearest increment

Between 2006 and 2012, a total of 69,739 metres of diamond drilling (226 surface and 42 underground drill holes) was at Pulacayo, results of which support the mineral resource estimate reported in this news release. The Pulacayo site is permitted for production at a milling rate of 560 tonnes per day and no known legal, political, environmental, or other risks would materially affect potential future development have been identified by Prophecy at the effective date of the current 20, 2017) mineral resource estimate.

Approximately 85% of the resource tonnage identified at the 400 g/t Ag Eq. cut-off value occurs within 150 meters vertically from the main San Leon tunnel, which may facilitate future mineral extraction.

Historic Pulacayo production was predominantly from the Tajo vein system which extends over a strike length of more than 1 km and to a depth of at least 1,000 meters. Prior resource drilling only covered approximately 20% of the Tajo vein system length. With new drilling, Prophecy feels that there is potential to discover additional resources along the Tajo structure.

The Company's research has shown that relatively few silver underground deposits have been defined at resource values of 400 g/t Ag Eq. or more.

## Paca Deposit

The Paca deposit is located in Bolivia approximately 7 km north of the Pulacayo deposit.

Results of the mineral resource estimate prepared by Mercator for the Paca deposit are presented below in Table 3. The

described previously and filed on SEDAR documents the resource estimate.

The Report outlined 2.54 million tonnes at a weighted average grade of Ag 256 g/t, Pb 1.03%, Zn 1.10% (Ag Eq. 342 g/t) in the inferred category. The contained metal content estimated by the Company, of the inferred category resources is 20.9 million ounces of silver, 57.7 million pounds of lead, 61.6 million pounds of zinc. (more resource details in the table below).

Table 3. Paca Inferred Mineral Resource Statement Details

Paca Mineral Resource Statement &ndash; Effective October 20, 2017						
Ag Eq. Cut-Off (g/t)	Category	Tonnes*	Ag (g/t)	Pb (%)	Zn (%)	Ag Eq. (g/t)
200	Inferred	2,540,000	256	1.03	1.10	342

Notes:

- (1) Mineral resources are estimated in conformance with the CIM Standards referenced in NI 43-101.
- (2) Raw silver assays were capped at 1,050 g/t, raw lead assays were capped at 5% and raw zinc assays were capped at 5%.
- (3) Silver equivalent Ag Eq. (g/t) =  $\text{Ag (g/t)} + (\text{Pb\%} \times (\text{US\$0.94/lb. Pb} / 14.583 \text{ Troy oz./lb.} / \text{US\$16.50 per Troy oz.} + (\text{Zn\%} \times (\text{US\$1.00/lb. Zn} / 14.583 \text{ Troy oz./lb.} / \text{US\$16.50 per Troy oz. Ag}) \times 10,000)$ . 100 % metal recoveries are assumed based on a lack of comprehensive metallurgical results.
- (4) 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. These prices reflect those used for the Pulacayo deposit mineral resource estimate reported above.
- (5) Metal grades were interpolated within wire-framed, three-dimensional solids using Geovia-Surpac Ver. 6.7 software using inverse distance squared interpolation methods. Block size is 5m (X) by 5m (Z) by 2.5m (Y). Historic mine void space was removed from the model prior to reporting resources.
- (6) A block density factor of 2.26g/cm<sup>3</sup> was used and reflects the average of 799 density measurements.
- (7) Mineral resources are considered to have reasonable expectation for economic development using combined underground and open pit methods based on the deposit history, resource amount and metal grades, current metal prices and comparison to broadly comparable deposits elsewhere.
- (8) Mineral resources that are not mineral reserves do not have demonstrated economic viability.
- (9) \*Tonnes are rounded to nearest 10,000.

The contained metals estimated by the Company based on the October 20, 2017 resource estimate by Mercator are presented in Table 4.

Table 4. Contained Metals Based On October 20, 2017 Paca Deposit\*\* Mineral Resource Estimate

Metal	Inferred Resource
Silver	20.9 million oz.
Lead	

57.7 million lbs.



Zinc	61.6 million lbs.
------	-------------------

*\*\*Based on the resource estimate Ag Eq. cut-off value of 200 g/t and 100% recovery; figures are rounded to the nearest increment*

The resource estimate is based on results of 97 diamond drill holes and 1 reverse circulation drill hole totaling 18,160 m completed between 2002 and 2007.

The geology of the Paca deposit includes a core zone of feeder-style mineralization associated predominantly with brecciated andesite, plus additional zones of shallowly dipping mantos-style mineralization that are hosted by the surrounding volcano-sedimentary sequence. The Paca deposit remains open at depth and along strike.

The Paca mineralization starts from surface and the deposit may be amenable to open-pit mining and this will be evaluated in the future.

The Company's research has shown that relatively few silver open pit deposits have been defined at resource cut-off values of 200 g/t Ag Eq. or more.

#### Project update

The Company's Bolivian subsidiary, ASC Bolivia LDC Sucursal Bolivia, has invested approximately US\$28 million at Pulacayo and already acquired necessary environmental and social licenses to mine at Pulacayo. The Company is working with the Bolivian mining ministry and Corporacion Minera De Bolivia (COMIBOL) to obtain authorization which will allow Prophecy to start mining at Pulacayo while transitioning from the current joint venture contract to a mining production contract.

#### Qualified Persons

The technical contents of this news release have been prepared under the supervision of Christopher M. Kravits, CPG, General Mining Manager of Prophecy. Mr. Kravits is a Qualified Person as defined in NI 43-101. Mr. Kravits is a consultant to the Company and is not independent of the Company since most of his income is derived from the Company.

Peter Webster, P. Geo., of Mercator Geological Services Limited is one of the Qualified Persons within the meaning of NI 43-101 responsible for preparation of Sections 3.0 to 8.0, 14.0 to 23.0 and 26 of the Report. He also reviewed all Report sections contributed to the Report Summary and Report Sections 24.0 and 25.0, and responsible for the mineral resource estimate addressed in this news release. Michael P. Cullen, P. Geo., also of Mercator Geological Services Limited is the other Qualified Person within the meaning of NI 43-101 responsible for preparation of Sections 1.0 and 2.0, 9.0 through 13.0 of the Report. He also reviewed all Report sections and contributed to the Report Summary.

#### About Prophecy

[Prophecy Development Corp.](#) is a Canadian public company listed on the Toronto Stock Exchange that is engaged in mineral and energy exploration and development. Further information on Prophecy can be found at [www.prophecydev.com](http://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 numerous exploration and resource estimation programs both domestically and internationally and prepared on behalf of Prophecy the current mineral resource estimates for the Pulacayo deposit and the Paca deposit.

[Prophecy Development Corp.](#)

## ON BEHALF OF THE BOARD

&ldquo;JOHN LEE&rdquo;

Executive Chairman

For more information about Prophecy, please contact Investor Relations:

+1.888.513.6286

ir@prophecydev.com

www.prophecydev.com

*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 &ldquo;expect&rdquo;, &ldquo;anticipates&rdquo;, &ldquo;intends&rdquo;, &ldquo;plans&rdquo;, &ldquo;believes&rdquo;, &ldquo;estimates&rdquo; and 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&rsquo;s expectations regarding Prophecy&rsquo;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 in 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. These uncertainties 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 being consistent with current levels; production forecasts meeting expectations; the accuracy of Prophecy&rsquo;s current mineral resource estimates; labour and materials costs increasing on a basis consistent with Prophecy&rsquo;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&rsquo;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 &ldquo;Risk Factors&rdquo; in Prophecy&rsquo;s most recent Management Discussion and Analysis and Annual Information Circular, as filed on SEDAR and posted on Prophecy&rsquo;s website: Prophecy&rsquo;s history of net losses and lack of profitable operations; cash flow; exploration, development and production risks, including risks related to the development of Prophecy&rsquo;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&rsquo;s projects into production and the resulting 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&rsquo;s operations; title to Prophecy&rsquo;s mineral properties; environmental risks; the competitive nature of the mining business; Prophecy&rsquo;s reliance on key personnel; uninsured risks; commodity price fluctuations; reliance on Prophecy&rsquo;s need for substantial additional funding and the risk of not securing such funding on reasonable terms; foreign exchange risks; anti-corruption legislation; recent global financial conditions; the payment of dividends; and competition for interest.

These factors should be considered carefully, and readers should not place undue reliance on Prophecy&rsquo;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



results to differ materially from those described in forward-looking statements, there may be other factors that cause actual events or results not to be as anticipated, estimated or intended. Prophecy undertakes no obligation to release publicly or to make 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/Prophecy11222017.pdf](public://news_release_pdf/Prophecy11222017.pdf)

Source: [Prophecy Development Corp.](#) (TSX:PCY, OTC Pink:PRPCF, FWB:1P2N)

To follow [Prophecy Development Corp.](#) on your favorite social media platform or financial websites, please click on the links below.

Maximum News Dissemination by FSCwire. <http://www.fscwire.com>

Copyright © 2017 Filing Services Canada Inc.

