

Prophecy Issues Request for Proposal for Gibellini Vanadium Project EPCM and Sets Project Timetable

written by Raj Shah | August 15, 2018

✘ August 15, 2018 ([Source](#)) – Prophecy Development Corp. (“Prophecy” or the “Company”) (TSX:PCY, OTCQX:PRPCF, Frankfurt:1P2N) issued a request for proposal (the “RFP”) from qualified bidders for engineering, procurement, construction and management services (the “EPCM”) for operations at its Gibellini vanadium project (the “Project”). The Project is designed to be an open pit, heap leach operation in Nevada’s Battle Mountain region, and is located about 27 miles south of the town of Eureka.

The Project’s EPCM work, based on technical data from an historic independent feasibility report submitted by AMEC E&C Services, Inc. on September 12, 2011, commenced in September 2011 with about 30% completion, before the remaining work was halted in November 2014, due to low vanadium prices. The Company is now re-initiating the EPCM work in light of the Preliminary Economic Assessment authored by Amec Foster Wheeler E&C Services Inc. and dated effective May 29, 2018 (see the Company’s news release dated May 29, 2018), demonstrating a positive project internal rate of return (IRR) of 50.8% on an after-tax basis using a base-case vanadium pentoxide (V2O5) price of US\$12.73/lb. The most recent trading price of V2O5 according to www.asianmetal.com, as of the date of this press release, is US\$18.50/lb.

The EPCM will consist of three phases:

- Phase 1 includes updating and simplifying previous basic engineering designs from producing delicate vanadium battery electrolyte to producing standard vanadium pentoxide off take product. The other parts of the design such as mine design, waste dump design, road design, borrow pit design, buildings and infrastructure designs will not be substantially changed.
- Phase 2 will be procurement of the required equipment and services, and developing the detailed engineering design required to build the project facilities.
- Phase 3 will outline construction management services to build the facilities to accomplish the actual work.

The 20-page RFP is available at Prophecy's website: www.prophecydev.com, and access to the Project's technical data will be provided to interested parties.

All proposals must be returned to Prophecy by no later than the date indicated below. Proposals submitted after the deadline will not be considered.

Important Dates*:

August 6, 2018: RFP issued

August 17, 2018: Interested bidders must send Notice of Intention to Prophecy

September 14, 2018: Deadline for questions to be submitted

September 21, 2018: Clarifications to be distributed

September 28, 2018 (3:00 PM PDT): Deadline for submission of EPCM proposals

**This timeline is subject to change. Any change will be*

communicated to all bidders.

The Company expects Phase 1 of the EPCM, updating basic engineering design, to start in October 2018 and to be completed by early 2020; Phase 2, equipment procurement and detailed engineering design, to be completed in early 2021; Phase 3, facilities construction, to start in mid 2021 and be completed in early 2022 with the Project wet commissioning to be in the middle of 2022.

For purposes of this EPCM proposal, please contact:

Name: Michael Drozd

Position: Vice President, Operations

Email: michael.drozd@frontiernet.net

Qualified Person

The technical content of this news release have been prepared under the supervision of Danniell Oosterman, VP, Exploration. Mr. Oosterman is not independent of the Company in that he is employed as a consultant to the Company and most of his income is derived from the Company. Mr. Oosterman is a Qualified Person as defined in NI 43-101.

About Prophecy

Prophecy Development Corp. is a Canadian public company listed on the Toronto Stock Exchange. Prophecy's main objective is to develop the Gibellini primary vanadium mining project in the Battle Mountain region in northeastern Nevada to production. 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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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.