Prophecy Receives Interest on Ulaan Ovoo Project and Provides Update on Progress in Bolivia

written by Raj Shah | March 20, 2018

March 20, 2018 (Source) – **Prophecy Development Corp.** (“**Prophecy**” or the “**Company**”) (**TSX:PCY**, **OTCQX:PRPCF**, **Frankfurt:1P2N**) is pleased to provide the following updates on its Pulacayo and Paca silver-lead-zinc projects in Bolivia, and Ulaan Ovoo and Chandgana Projects in Mongolia.

Bolivia:

A delegation led by the Bolivian Minister of Mining and Metallurgy attended the Prospectors & Developers Association of Canada (PDAC) mining conference in Toronto earlier this month. The Minister discussed advances in foreign investment, new mining projects, and productive infrastructure for mining development among other topics. The Minister encouraged and invited foreign investment which will be protected under the mining production contract legal framework which provides investors with undivided working interests in Bolivia’s mining projects. Prophecy’s management met with the Minister while in Toronto, on March 6, 2018, whereby he re-iterated his support for Prophecy’s endeavors in Bolivia.

The Company’s Bolivian subsidiary, ASC Bolivia LDC Sucursal Bolivia, has so far, invested approximately US$28 million at

Pulacayo and already acquired the necessary environmental and social licenses to mine at Pulacayo. The Company is working with the Bolivian Ministry of Mining and Corporacion Minera De Bolivia (COMIBOL) to obtain authorization to allow Prophecy to mine at Pulacayo while transitioning from the current joint venture contract to a mining production contract.

Mongolia:

Ulaan Ovoo Thermal Coal Mining Project

Prophecy has recently received unsolicited interest in leasing its Ulaan Ovoo coal project, which is located in northern Mongolia, 17km from the Zeltura border to Russia by dirt road, and 120km by road from Mongolia's Sukhbaatar railway station (which connects to the Trans-Siberian railway network). The mine has so far, received over $50 million in investment and been on standby since 2014.

During 2012 to 2015, Prophecy successfully delivered approximately 500,000 tonnes of Ulaan Ovoo coal to 28 Mongolian and Russian customers, with a track record of timely delivery and meeting or exceeding the required coal quality specifications.

Ulaan Ovoo coal (5,000 kcal/kg GCV, < 1% Sulphur, < 8% Ash, < 3% rock) is well-suited for power plant, cement plants, and heat boiler applications.

While parties continue discussion and due diligence, there is no assurance that any potential transaction will be concluded.

Chandgana Mine Mouth Power Plant Project

Due to continued political uncertainty, the Chandgana power plant project, with over $14 million in investment to date, has advanced at a slower pace than anticipated. Accordingly, the

Company has determined to write-off its Chandgana investment in its 2017 year-end financial statements while continuing to explore strategic alternatives for the Company's Chandgana Khavtgai and Chandgana Tal coal licenses in order to maximize shareholder value.

About Prophecy

Prophecy Development Corp. is a Canadian public company listed on the Toronto Stock Exchange. The Company aims to provide exposure and leverage to rising vanadium prices by defining and adding attributable vanadium resources in the ground in politically safe jurisdictions. 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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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.