



THE PLATINUM STANDARD

78 <b>Pt</b> Platinum 195.084	46 <b>Pd</b> Palladium 106.42	79 <b>Au</b> Gold 196.966569	28 <b>Ni</b> Nickel 58.6934	29 <b>Cu</b> Copper 63.546	27 <b>Co</b> Cobalt 58.9332
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Factsheet April 2013

**WELLGREEN**  
Yukon, Canada

PGM - Ni - Cu

**SHAKESPEARE**  
Ontario, Canada

PGM - Ni - Cu

**Yukon Territory**  
Stable, mining-friendly jurisdiction

**Excellent Access Infrastructure**  
15km from Alaska Highway

**Exploration Potential**  
Open at both ends & at depth

**Large, Near Surface Deposit**  
Suitable for open pit

**7M\***  
OUNCES PGM+AU

**2B\***  
POUNDS NICKEL

**2B\***  
POUNDS COPPER

**Prophecy Platinum's** 100% owned Wellgreen property is one of a very few significant North American platinum group metals deposits. The project is being developed by an experienced executive team and has good potential for expansion along strike and at depth within a district scale property. According to the August 2012 NI 43-101 compliant preliminary economic assessment (PEA), the project is expected to produce, in concentrate:

***7 million oz. of platinum+palladium+gold and  
2 billion lbs of nickel, 2 billion lbs of copper over  
life of mine with an average strip ratio of 2.6***

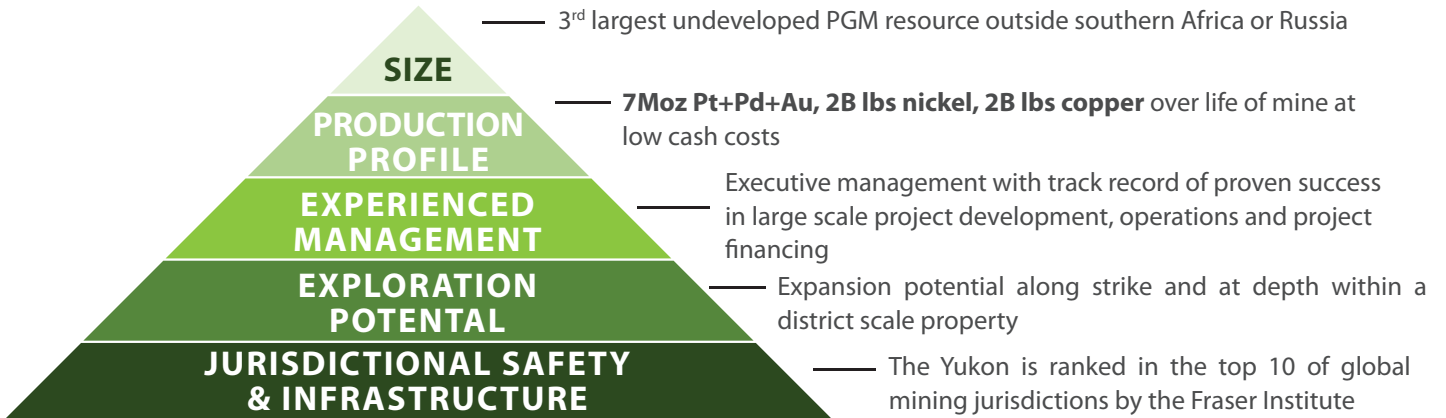
Located in the south west corner of Canada's Yukon Territory, the site is just 15 km from the Alaska Highway leading to the Haines / Skagway sea ports and the Asian markets beyond.

The data contained herein is from the technical report entitled "Wellgreen Project, Preliminary Economic Assessment, Yukon Canada" dated effective August 1, 2012 (the "PEA") prepared by Tetra Tech Wardrop. T. McCracken, P.Geo., A. Carter, C.Eng., P. Corpuz, P.Eng., P. Bridson, P.Eng and W. Stoyko, P.Eng are the Qualified Persons as defined in NI 43-101 responsible for the PEA. The PEA is preliminary in nature, includes Inferred Mineral Resources that are too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty the PEA will be realized. A mineral reserve has not been estimated for the project as part of the PEA. A mineral reserve is the economically mineable part of a measured or indicated mineral resource demonstrated by at least a prefeasibility study. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The mineral resource estimates in the PEA are based on resource estimated at 0.2% Ni Eq. cut-off and the following metals recoveries: 67.6% for Ni, 87.8% for Cu, 64.4% for Co, 46% for Pt, 72.9% for Pd, and 58.9% for Au. The PEA is available at [www.sedar.com](http://www.sedar.com).

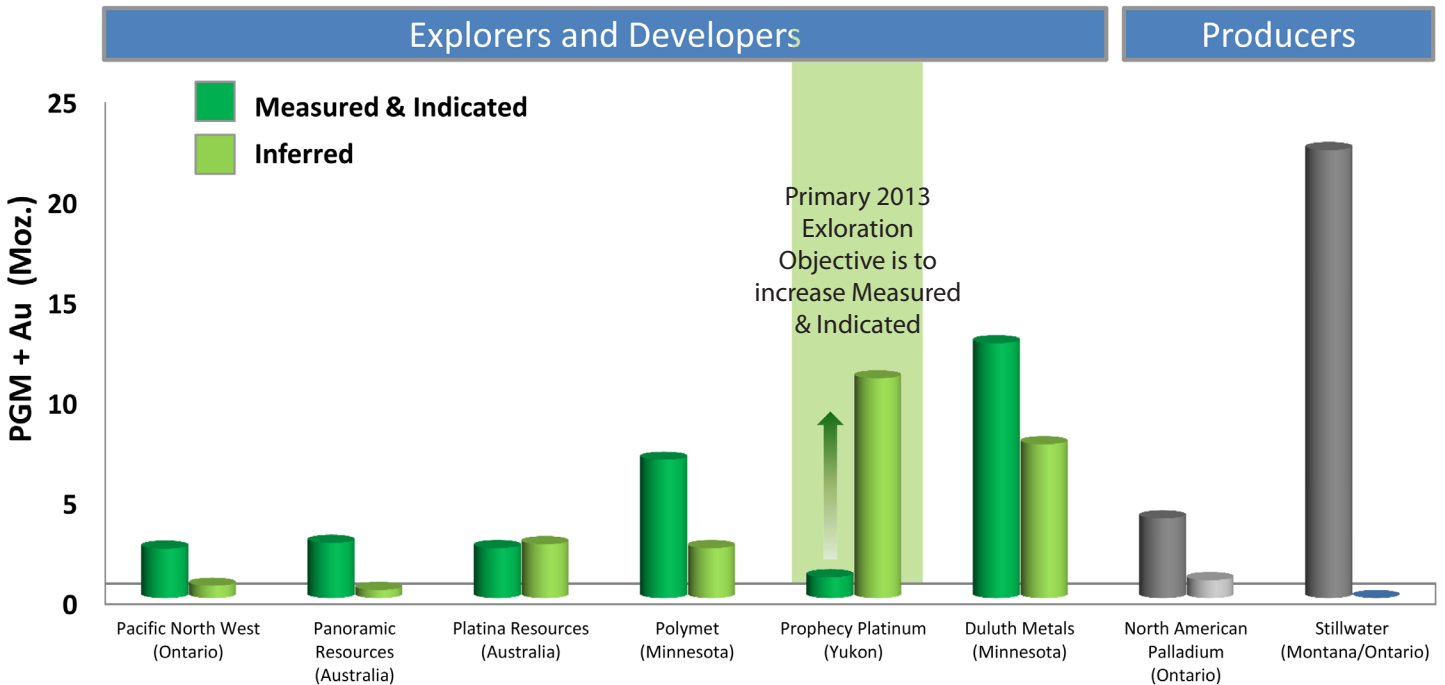
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**TSX-V: NKL**  
**OTC-QX: PNIKF**

# Key Components for Exceptional Performance



## PGM Company Resource Comparison (N. American & Australian)

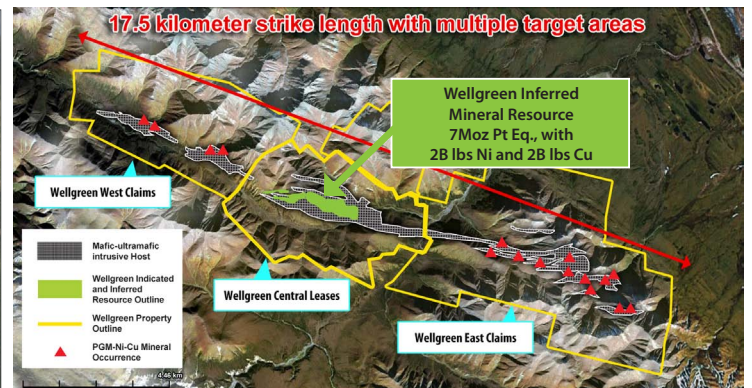


<sup>1</sup> Mineral resource includes platinum, palladium and gold. Stillwater only has Proven and Probable mineral reserve numbers, which are the economically minable part of Measured & Indicated mineral resource. Sources: Oct 2012 GMP Securities report entitled "Palladium and Platinum Supply-Demand Fundamentals Improving"; Pacific North West: 2012 Q1 Financial Statement ended July 31 2012; Panoramic Resources: Company presentation Nov 2012; Platina Resources: 2012 Annual report year ended Jun 2012; Polymet: Company presentation Oct 2012, July 2012 Interim Financial statement; Duluth: Company presentation Nov 2012, June 13, 2012; North American Palladium: 2012 Q3 Interim Financial Report; Stillwater: Aug 2012, Q3 2012 Financial statement; Prophecy Platinum: Wellgreen mineral resource based on the PEA. The qualified persons responsible for this factsheet have been unable to verify the information pertaining to other mines and this information is not necessarily indicative of the mineralization on the Wellgreen property.

## 2.5km Strike: Open East / West and at Depth



## 17.5km District Play



# Wellgreen Financial Model and Production Projections

The PEA reported that the Wellgreen deposit is expected to produce a pre-tax Internal Rate of Return (“IRR”) of 32% and a Net Present Value (“NPV”) of \$2.4 billion, based on 8% discount rate and 100% equity over a projected 37 year mine life. Please refer to the PEA which is available on SEDAR at [www.sedar.com](http://www.sedar.com) for additional details and the assumptions and sensitivities for which those projections are based.

## Wellgreen Economic Model Output - Based on August 2012 PEA\*

Mill throughput	32,000 tpd	Mine Life	37 years
Initial capital expenditures	\$863M	Average strip ratio	2.57:1

Metals Payable	Pt Eq. (koz)**	Pt (koz)	Pd (koz)	Au (koz)	Ni (Mlbs)	Cu (Mlbs)	Co (Mlbs)
Average annual - First 24 years	138.5	68.9	92.4	41.3	50.4	59.1	3.5
Total - first 24 years	3,325	1,654	2,217	990	1,209	1,420	84
Average annual - life of mine	118.1	60.3	80.8	32.5	45.2	50.9	3.1
Total - life of mine	4,369	2,232	2,989	1,203	1,671	1,885	114

## Wellgreen PEA Economic Model Output - First 24 Years of Production\*

### PEA Base Case Metal Prices - 20%

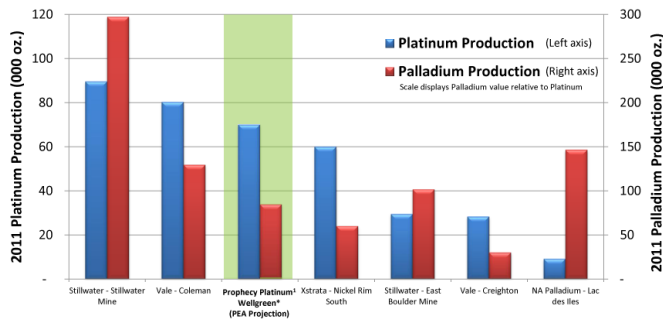
(Base Case Metal Prices = LME trailing 3-year average price at July 6, 2012)

Pt \$1,270.38/oz	Ni \$7.58/lb	Pre-tax NPV (8% discount rate)	\$973M
Pd \$465.02 /oz	Cu \$2.850/lb	Pre-tax IRR (100% equity)	20%
Au \$1,102.30/oz	Co \$12.98/lb	Average annual pre-tax cash flow	\$205M

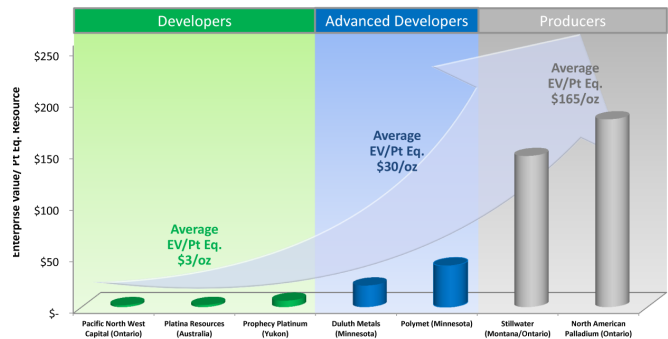
\*PEA model head grades smoothed by reducing head grades 10% in 2025, 10% in 2027, 40% in 2028, 20% in 2030, 15% in 2034 and 10% in 2037.

\*\*Pt Eq. calculated as Pt Eq. = Pt + Pd x \$465.02/\$1,270.38 + Au x \$1,102.30/\$1,270.38. Please see the PEA for additional details. The PEA is preliminary in nature, in that it includes Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the PEA will be realized. A mineral reserve has not been estimated for the project as part of this PEA. A mineral reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a prefeasibility study.<sup>3</sup> Mineral resources that are not mineral reserves do not have demonstrated economic viability.

## PGM Production Projection Comparison\* (N. American)



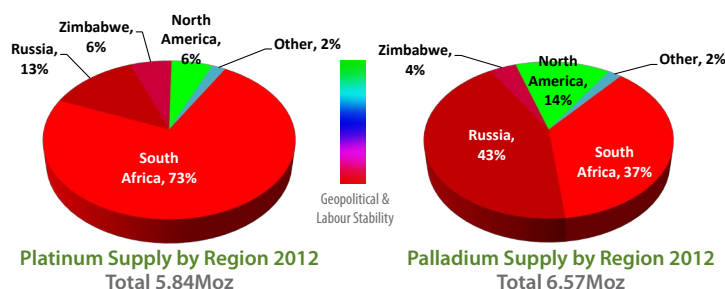
## PGM Company Valuations<sup>1</sup> (N. American & Australian)



\*Source: Vale-Sudbury: Vale-Production report 2011 (<http://bit.ly/Z6qDV4>); Stillwater Mine and East Boulder Mine: Q4 2011 Earnings Release (<http://bit.ly/VMEKYH>); Nickel Rim South: Johnson Matthey estimates (Raglan not included); NA Palladium-Nickel Rim South: NAP Annual Report 2011 (<http://bit.ly/Vvn2t7>). Wellgreen projections are average annual life of mine metals produced in concentrate based on August 2012 PEA by Tetra Tech Wardrop. <sup>1</sup>Wellgreen estimated production is based on indicated and inferred resource. \*Platinum production projection includes gold converted to platinum on a 1:1 basis. The qualified persons responsible for this Presentation have been unable to verify the information pertaining to other mines and this information is not necessarily indicative of the mineralization on the Wellgreen property and the expected production therefrom.

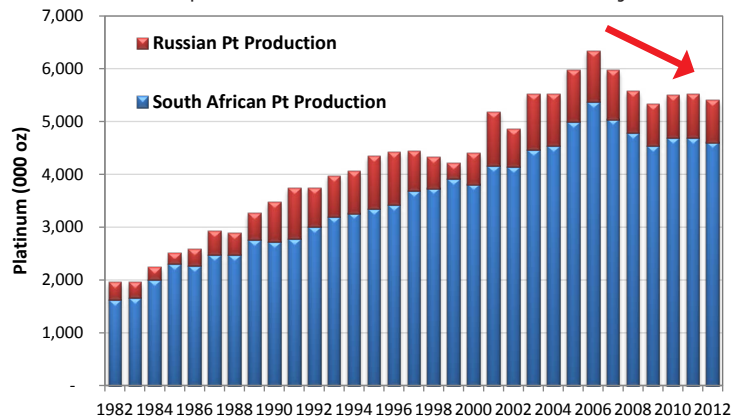
## Platinum & Palladium Supply Fundamentals

- ▶ Platinum supply is just 1/10<sup>th</sup> that of gold and 1/100<sup>th</sup> that of silver
- ▶ South Africa, Russia and Zimbabwe account for 92% of global Pt supply and 84% of Pd supply



Source: Johnson Matthey 2012 Interim Review (<http://bit.ly/TVBEVU>)

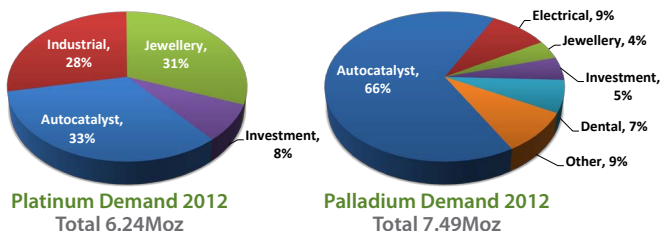
## Platinum production from South Africa and Russia has been declining since 2006



Source: CPM Group Platinum Group Metals Yearbook 2012

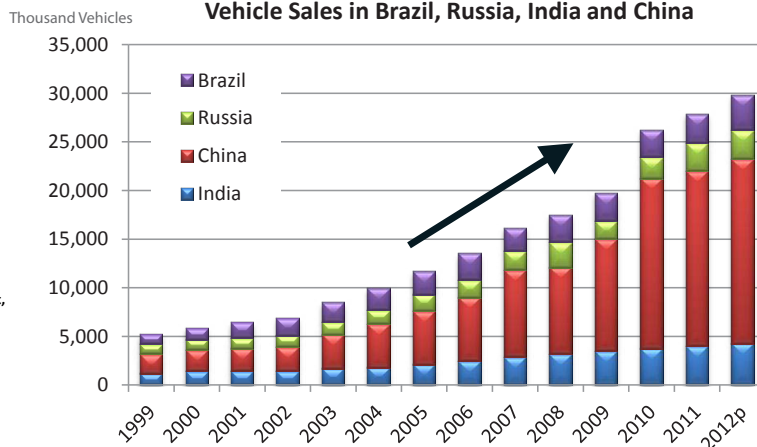
## Platinum & Palladium Demand Fundamentals

- ▶ Johnson Matthey forecasts platinum demand to exceed supply by 400koz and palladium demand to exceed supply by 915koz in 2012
- ▶ Platinum jewellery and ETF demand are expected to be strong in 2013
- ▶ Autocatalyst demand is expected to rise due to strong auto demand from BRIC countries



Source: Johnson Matthey Platinum 2012 Interim Review (<http://bit.ly/TVBEVU>)

## Vehicle Sales in Brazil, Russia, India and China



Source: SIAM, China Automotive Information Network, AEB, ANAFVEA, and CPM Group

## Management

### Greg Johnson (P. Geo.) - President & Chief Executive Officer

Greg Johnson has over 25 years of experience in the development of large scale projects in the mining industry and has been involved in raising over \$650 million in project financing. Formerly President and CEO at South American Silver, Mr. Johnson led the advancement of 2 large projects in South America and saw a market cap increase from \$20 million to a peak of \$350 million. As co-founder and executive at NovaGold, Mr. Johnson was part of the team that grew their market cap from \$50-million to more than \$2-billion and oversaw the growth of the resource base to over 30 million ounces of gold in 3 world class projects. Mr. Johnson holds an honors degree in Geology from Western Washington University and began his career with Placer Dome Inc. (now Barrick Gold).

### John Sagman (P. Eng., PMP) - Senior VP & Chief Operating Officer

Mr. Sagman has over 30 years of mining experience including the design, development, commissioning and management of both open pit and underground mining projects. Formerly VP Technical Services with Capstone, his extensive background of project management success also includes overseeing operations with Xstrata, Vale on their Sudbury Nickel PGM mines and at Placer Dome (now Barrick Gold) in both operations and project development groups. Mr. Sagman received his Project Management Professional designation in 2010 and is licensed with the Association of Professional Engineers and Geoscientists of British Columbia. Mr. Sagman holds a degree in Mining and Mineral Process Engineering from the University of British Columbia.

### Jeffrey Mason (CA) - Chief Financial Officer

Jeffrey Mason is a Chartered Accountant with over 25 years' experience in financial reporting. He has expertise in accounting, M&A, corporate finance and regulatory reporting, including 15 years with Hunter Dickinson Inc. (HDI) as Corporate Secretary, CFO and Director for numerous public mining companies. As CFO of Taseko Mines Ltd., he was instrumental in the acquisition of the Gibraltar Cu-Mo mine and bringing it from dormant into the 2nd largest open pit Cu mine in Canada. He negotiated the purchase of the Xietongmen Cu-Au Project on behalf of Continental Minerals Corp. and set up a JV arrangement with Jinchuan Mining Group.

### Neil Froc (P.Eng.) - Project Manager

Neil Froc is a registered Professional Engineer and has been involved in various stages of precious metals, base metals and industrial mineral exploration since 1980. Formerly Executive Vice President with Hard Creek Nickel Corp., his expertise covers early to advanced stage project management.

### Rob Bruggeman (CFA, P.Eng.) - VP Corporate Development

Rob Bruggeman has worked in the brokerage industry in Toronto the past 12 years. He held positions of a small cap equity research analyst, proprietary trader, and most recently, he led the institutional equity sales and trading group at a boutique brokerage firm.

#### Share Structure

Issued & outstanding	68,774,692
Options (avg. strike \$1.24)	9,937,833
Warrants (avg. strike \$1.79)	3,783,604
<b>Fully Diluted</b>	<b>82,496,129</b>

As of April 8th, 2013

#### Major Shareholders

Prophecy Coal (TSX: PCY):	32%
Institutions:	15%
Management and Insiders:	6%
<b>Total</b>	<b>53%</b>

Certain statements contained herein constitute "forward-looking statements." Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans," "intends," "anticipates," "should," "estimates," "expects," "believes," "indicates," "targeting," "suggests," "potential," and similar expressions. These forward-looking statements are based on current expectations and entail various risks and uncertainties. Actual results may materially differ from expectations, if known and unknown risks or uncertainties affect our business, or if our estimates or assumptions prove inaccurate. Investors are advised to review the Company's Annual Information Form filed at [www.sedar.com](http://www.sedar.com) for a detailed discussion of investment risks.

Neil Froc, P.Eng., Prophecy Platinum's Project Manager, who is a non-independent "qualified person" as defined under NI 43-101, has reviewed and approved the technical information in this factsheet.

Prophecy has included certain non-GAAP measures, costs of PtEq per ounce in this factsheet. The non-GAAP measures do not have any standardized meaning within Canadian GAAP and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide additional information which is useful in evaluating the Company. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with Canadian GAAP.



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