

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 14, 2015) - [Peregrine Diamonds Ltd.](#) ("Peregrine" or "the Company") (TSX:PGD) is pleased to announce the completion of the large diameter reverse circulation ("RC") drilling component of its 2015 Diamond Resource Development Program at its 100 percent-owned Chidliak diamond project ("Chidliak"). Chidliak is located 120 kilometres northeast of Iqaluit, the capital of Nunavut, Canada. During the winter program, six large diameter RC holes totalling 1,212.1 metres were drilled into the CH-7 kimberlite resulting in the collection of 558.5 wet tonnes of kimberlite after screening to +1.18 mm in the field.

The data acquired from the bulk sample will be used to establish the grade of the different geologic units at CH-7, and the resulting representative diamond parcels will be the subject of an independent diamond valuation. If results warrant, Peregrine will use this information, together with previously acquired geologic and diamond data, to prepare a maiden resource statement for CH-7. That resource would be included in a Preliminary Economic Assessment ("PEA") scheduled for the first half of 2016 for a potential Phase 1 mine development at Chidliak.

Due to the lack of snowfall this winter coupled with the onset of spring weather conditions at Chidliak, the RC drilling program has ended prior to drilling at the CH-6 or CH-44 kimberlites. One RC hole planned for CH-6 was designed to provide additional information to permit potential conversion of the current Inferred Resource to an Indicated Resource category. A summer 2015 core drilling program planned for CH-6 is designed to establish an Inferred Resource for that portion of kimberlite occurring shallower than 250 metre depth that currently is considered a Target for Further Exploration. At CH-44, three RC holes were planned to allow inclusion of a potential maiden resource in the planned 2016 PEA. As the potential resource base at CH-44 is less than those at each of CH-6 and CH-7, priority was placed on completing the RC drilling at CH-7. A program designed to establish a maiden resource at CH-44 is planned for 2016. The shallow overburden at CH-44 will allow a bulk sample to be collected by cost-effective surface trenching.

Peregrine plans to complete a PEA in 2016 as scheduled, which should not be delayed by the absence of large diameter RC bulk sampling information from CH-6 and CH-44. The PEA is intended to be based on the Inferred Resources declared for the highest priority kimberlites based on size and diamond grade, CH-6 and CH-7. The tonnage, grade and diamond value for CH-6 and CH-7 that will be used in the PEA will be finalized after completion of the Summer 2015 drill program and receipt of results from the CH-7 bulk sample. Any resource established at CH-44 would be integrated into subsequent Chidliak economic studies.

Mr. Tom Peregoodoff, President and CEO of Peregrine stated "The successful collection of the bulk sample from the CH-7 kimberlite will enable Peregrine to determine the grade and diamond value and this information would be used to declare an Inferred Resource for this kimberlite. We believe that a PEA based on Inferred Resources at CH-6 and CH-7 will demonstrate that there is potential for Chidliak to be developed into Baffin Island's first diamond mine. CH-6 is one of the highest grade kimberlites in the world with an Inferred Resource of 8.57 million carats in 3.32 million tonnes of kimberlite. With an actual diamond value of US\$213 per carat based on a 1,013 carat parcel of diamonds, this pipe alone has tremendous potential for development. The winter of 2015 was difficult for operations, and credit should be given to the Peregrine team and its contractors for completing this year's bulk sample program under challenging weather conditions."

CH-7 BULK SAMPLE SUMMARY

The CH-7 bulk sample was collected by large diameter RC drilling (up to 26 inch/66 cm diameter holes). A total of 1,212.1 metres was drilled in six holes resulting in the collection of 653 bags of kimberlite weighing a total of 558.5 wet tonnes after screening on a shaker table with a 1.18 mm square mesh screen. Sample weights suitable for use in resource definition will be determined using moisture content, calculated drill hole volume based on caliper data and kimberlite specific gravity data. Table 1 provides a summary of the drilling. A total of 576 sample bags has already been transported to Iqaluit. Peregrine plans to transport the 77 bags remaining on site to Iqaluit primarily by fixed wing aircraft. The bulk sample bags are securely stored in Iqaluit and will be shipped for processing and diamond recovery to the Saskatchewan Research Council in Saskatoon ("SRC"). Peregrine is currently reviewing options for air transport of a portion of the bulk sample to the SRC to enable earlier commencement of processing.

TABLE 1: SUMMARY OF 2015 CH-7 RC DRILLING AND SAMPLE COLLECTION

Hole ID	Previous Hole ID*	Metres Drilled	Total Bags	Estimated Field Weight	Primary Of Bags (kg)	Lithology
LD01	LD-A	219.1	127	105,651		KIM-2
LD02	LD-B	222.0	122	107,213		KIM-2
LD03	LD-D	240.0	134	114,781		KIM-3 & KIM-4
LD04	LD-E	237.3	127	109,468		KIM-3 & KIM-4
LD05	LD-F	74.6	26	21,974		KIM-5
LD06	LD-C	219.1	117	99,389		KIM-2
TOTALS		1,212.1	653	558,476		

* As reported on April 23, 2015

Dr. Herman Grüter, Professional Geologist and Peregrine's Vice President, Technical Services, is a Qualified Person and is

responsible for the design of the Diamond Resource Development Program at Chidliak. Mr. Alan O'Connor, Peregrine's Program Manager, Chidliak Resource Evaluation, is a Qualified Person and is responsible for the design and conduct of bulk sampling programs at Chidliak.

Dr. Grütter and Mr. O'Connor have reviewed this release and approve of its contents.

ABOUT PEREGRINE DIAMONDS

At its 100 percent-owned, 582,476 hectare Chidliak project in Nunavut, Peregrine has discovered 71 kimberlites with eight being potentially economic. An Inferred Mineral Resource of 8.57 million carats in 3.32 million tonnes of kimberlite at a grade of 2.58 carats per tonne has been defined for a portion of the CH-6 kimberlite. In addition, a Target for Further Exploration of 3.20 to 4.38 million tonnes of kimberlite to a depth of 380 metres below surface has been identified at CH-6. An independent diamond valuation of a 1,013 carat parcel of diamonds recovered from CH-6 in 2013 returned an average market price of US\$213 per carat and modelled prices that ranged from a minimum of US\$162 per carat to a high of US\$236 per carat, with a base model price of US\$188 per carat. A Target for Further Exploration of 3.72 to 6.01 million tonnes to a depth of 290 metres has been defined at the CH-7 kimberlite. In 2010, a 47 tonne mini-bulk sample collected from the surface of CH-7 returned a grade of 1.04 carats per tonne. A Target for Further Exploration of 1.27 to 3.19 million tonnes to 250 metres depth has been defined at the CH-44 kimberlite pipe. The objective of the 2015 Chidliak Diamond Resource Development program is to define a resource base that would be the subject of a Preliminary Economic Assessment in 2016.

On March 30, 2015, Peregrine announced that it has entered into an agreement to acquire Diamexstrat Botswana (Proprietary) Ltd. ("DES Botswana"), a privately held Botswana-registered diamond exploration and development company. DES Botswana's primary assets are eight highly prospective diamond Prospecting Licences, covering 5,746 km² in Botswana.

Peregrine Exploration, a wholly owned subsidiary of Peregrine Diamonds holds the 8,493 hectare Lac de Gras project in the Northwest Territories, located approximately 27 kilometres from the Diavik Diamond Mine where the 72.1%-owned DO-27 kimberlite hosts an Indicated Mineral Resource of 18.2 million carats of diamonds in 19.5 million tonnes of kimberlite at a grade of 0.94 carats per tonne. Through comprehensive evaluation of its extensive diamond exploration databases, Peregrine Exploration, is working towards acquiring and developing new diamond properties in North America. A key asset being utilized in the search for a new Canadian diamond district is a proprietary database acquired from BHP Billiton that contains data from approximately 38,000 kimberlite indicator mineral samples covering approximately three million square kilometres of Canada.

For information on data verification, exploration information and resource estimation procedures see the technical reports entitled, "2015 Technical Report for the Chidliak Project, 66° 21' 43" W, 64° 28' 26" N Baffin Region, Nunavut" dated February 23, 2015, and "[Peregrine Diamonds Ltd.](#) Lac de Gras Project Northwest Territories, Canada NI 43-101 Technical Report" dated July 15, 2014, both of which are available on SEDAR and the Company's website.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements within the meaning of Canadian securities legislation. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future including, without limitation, statements relating to proposed exploration and development programs, funding availability, anticipated exploration results, grade of diamonds and tonnage of material, resource estimates, anticipated diamond valuations and future exploration and operating plans are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company.

Forward-looking statements are made based upon certain assumptions by the Company and other important factors that, if untrue, could cause the actual results, performances or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the price of diamonds, anticipated costs and ability to achieve goals. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements include, but are not limited to: receipt of regulatory approvals; anticipated timelines for community consultations and the impact of those consultations on the regulatory approval process; market prices for rough diamonds and the potential impact on the Chidliak Project; and future exploration plans and objectives.

Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, uncertainties relating to availability and cost of funds, timing and content of work programs, results of exploration activities, interpretation of drilling results and other geological data, risks relating to variations in the diamond grade and kimberlite lithologies; variations in rates of recovery and breakage; variations in diamond valuations and future diamond prices; the state of world diamond markets, reliability of mineral property titles, changes to regulations affecting the Company's activities, delays in obtaining or failure to obtain required project approvals, operational and infrastructure risk and other risks involved in the

diamond exploration and development business. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to their inherent uncertainty.

Contact

Peregrine Diamonds Ltd.

Mr. Eric Friedland
Executive Chairman
604-408-8880

Peregrine Diamonds Ltd.

Mr. Tom Peregoodoff
President and CEO
604-408-8880

Peregrine Diamonds Ltd.

Dr. Herman Grutter
Vice President, Technical Services
604-408-8880

Peregrine Diamonds Ltd.

Investor Relations
604-408-8880
investorrelations@pdiam.com
www.pdiam.com
Peregrine Exploration
Mr. Brooke Clements
President and CEO
604-408-8880