

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 14, 2015) - [Peregrine Diamonds Ltd.](#) ("Peregrine" or the "Company") (TSX:PGD) is pleased to announce the completion of the transaction previously announced on March 30, 2015 to acquire all of the shares of Diamexstrat Botswana (Proprietary) Ltd. ("DES Botswana"), a privately held Botswana-registered diamond exploration and development company, from Diamond Exploration Strategies Limited, a UK registered private company ("DES UK"). DES Botswana's primary assets are eight prospective diamond Prospecting Licences that cover 5,746 km² in Botswana. The planned 2015 Botswana diamond exploration program includes drill testing of four priority kimberlite targets.

Tom Peregoodoff, President and CEO commented "Working with the principals of DES Botswana, Peregrine has put together a cost-effective and focused exploration program for 2015. Peregrine's VP, Technical Services, Dr. Grüter and the DES Botswana team have done a tremendous job in using our extensive and proprietary Botswana database to identify high priority targets in this mature diamond-producing terrain. The work program will commence in July and the drilling is expected to commence in September."

Purchase Agreement

The transaction announced on March 30, 2015 between Peregrine and DES UK calls for the transfer of ownership of DES Botswana and all of its assets to Peregrine in consideration for the grant by Peregrine of a 1% gross overriding royalty (the "Royalty") to DES UK on all precious stone mineral interests held at the time of closing and those which may be acquired in the future in specific target areas. The agreement allows for Peregrine to purchase the Royalty at various milestones as detailed on March 30, 2015.

All conditions of the agreement have now been met, including receipt of all government approvals, and the transaction has closed.

2015 Diamond Exploration Program

The planned 2015 diamond exploration program will focus on target drilling, further target generation and ground truthing. The program is expected to commence in mid-July and continue until late November. The total budget for the 2015 work program is approximately CDN\$300,000.

Target testing via rotary air blast ("RAB") drilling will focus on the Moralane license. This license covers 664 km² and hosts a compelling kimberlite indicator mineral ("KIM") anomaly with associated isolated magnetic anomalies. Microprobe-confirmed KIM compositions define a unique, diamond-compatible signature that cannot be matched to indicators from known kimberlite clusters in the region. Previous operators in the area focused their drilling on the highest indicator mineral counts and did not have the benefit of incorporating the now available regional aeromagnetic data. Approximately 300 line kilometres of high resolution ground magnetics will be acquired and the results will be used to identify and prioritize drill collar locations. Approximately 500 metres of RAB drilling is planned to test four KIM-supported magnetic anomalies. The total budget for this component of the work program is approximately CDN\$200,000.

Target generation will focus on two areas.

1. The Gope area, which hosts the recently commissioned Ghaghoo mine operated by GEM Diamonds; and
2. The Nata area, which lies along a prolific Cretaceous kimberlite emplacement corridor that includes the producing Ghaghoo, Orapa, Lethlakane, Karowe and Damtshaa diamond mines, and numerous other diamond-bearing kimberlites.

At Gope, Peregrine holds two licences covering 1,001 km². In 2004 a detailed, low level aeromagnetic survey was flown. It identified numerous priority targets to the north of the known Gope kimberlites. These targets have never been drill tested. The Peregrine work program will include detailed re-interpretation of the airborne magnetic data, ground magnetics to confirm the position of priority one anomalies and target scale KIM surveys to assist in target prioritization. Drill testing of priority targets is planned for 2016.

At Nata, Peregrine holds four licences covering 3,830 km². Regional airborne geophysics has highlighted a number of areas that warrant follow up. Work in 2015 will consist of ground checking a number of the airborne magnetic anomalies as well as limited orientation style KIM sampling.

The total budget for the target generation component of the program is approximately CDN\$100,000.

ABOUT PEREGRINE DIAMONDS

At its 100 percent-owned, 582,476 hectare Chidliak project, located 120 kilometres from Iqaluit, the capital of Nunavut, 71 kimberlites have been discovered to date 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 from CH-6 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.

Through its recent purchase of the shares of Diamexstrat Botswana (Proprietary) Ltd., Peregrine now controls eight prospective diamond prospecting licenses in Botswana that cover 5,746 km². Further target generation and the drill testing of four priority targets are planned for the Botswana project in 2015.

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. The nine hectare 72.1%-owned DO-27 kimberlite, located at Lac de Gras, 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 and it is open at depth. 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.

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