

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 21, 2015) - [Peregrine Diamonds Ltd.](#) ("Peregrine" or the "Company") (TSX:PGD) is pleased to provide an update on its 100 percent-owned Chidliak diamond project ("Chidliak" or the "Project"). Chidliak is located 120 kilometres northeast of Iqaluit, the capital of Nunavut, Canada. Peregrine's 2015 field work program is focused on continued expansion of the Chidliak diamond resource. A recently completed independent review by Mineral Services Canada Inc., the Company's external Qualified Person, has highlighted an approximate one million tonne resource expansion opportunity for the CH-6 kimberlite. Both the resource expansion at CH-6 and the scale of the maiden resource declaration at CH-7 are contingent on the implementation of limited key additional exploration and evaluation work, which is underway and results of the 2015 CH-7 bulk sample. Existing drillcore from CH-6 and CH-7 is currently being sampled to improve geological and microdiamond characterization of certain kimberlite units, and similar sampling will occur throughout approximately 1,200 m of new core to be drilled at CH-6 and CH-7 during the summer 2015 work program. Successful integration of the core sampling results with the 2015 bulk sample results will enable the Company to maximize the Inferred Resource estimates for both CH-6 and CH-7. The revised Inferred Resource base will be included in a planned Preliminary Economic Assessment on a potential Phase 1 diamond mine development at Chidliak, expected in the second quarter of 2016.

2015 BULK SAMPLE UPDATE

The 2015 bulk sample program consisted of six large-diameter drill holes drilled to a maximum depth of 240 metres at CH-7, and the airlift of 558.5 wet tonnes of screened CH-7 kimberlite to secure storage facilities in Iqaluit. Since processing capacity at the Dense Media Separation ("DMS") plant of the Saskatchewan Research Council ("SRC") could not be secured until early August 2015, the Company suspended plans to airlift a portion of the CH-7 bulk sample to Saskatoon in June. The entire bulk sample is scheduled for transportation by sealift and road to the SRC. The first sealift is expected to depart Iqaluit on or about July 26, and the SRC is scheduled to commence bulk sample processing through its ten tonne per hour DMS plant in mid August.

The Company expects processing of the CH-7 bulk sample to a concentrate to be completed on or before November 15, 2015. Diamond recovery is expected to be completed by early December with initial diamond grade results being released shortly thereafter. Independent diamond valuation results are expected early in the first quarter of 2016.

SUMMER 2015 PROGRAM

Mineral Services Canada Inc. and the Peregrine technical team have recently completed a review of the current Inferred Resource and Target For Further Exploration ("TFFE") at CH-6, and the TFFE for CH-7. Incorporation of the 2014 Diamond Resource Development program results and the spatial distribution of 2015 bulk samples from CH-7, has highlighted opportunities to further constrain geological and grade continuity within key kimberlite units through the implementation of limited additional exploration work. This could lead to significant potential increases of contiguous tonnage and grade domains at the two kimberlites. The planned summer 2015 Diamond Resource Development program is focused on proving up these resource expansion opportunities ahead of the planned 2016 Preliminary Economic Assessment.

The planned summer 2015 work program is comprised of the following four key elements:

- Sampling of Existing CH-6 Core. Expand microdiamond and ancillary data sets for the southern, northern and at-depth portions of CH-6 by collecting some 700 kilograms of representative samples from six previously drilled core holes. This work is currently in progress and will utilise drill core stored at the Chidliak site.
- CH-6 Core Drilling. Extend known geological and grade continuity in the southern portion of CH-6 currently classified as TFFE by drilling two near-vertical core holes, with each hole extending to 260 metres depth. Representative microdiamond samples will be collected along the length of both holes.
- Sampling of Existing CH-7 Core. Expand microdiamond and ancillary data sets for the KIM-2, KIM-3 and KIM-4 domains at CH-7 by collecting some 1,200 kilograms of representative samples from eleven previously drilled core holes. This work is currently in progress and will utilise drill core stored at the Chidliak site.
- CH-7 Core Drilling. Extend known geological and grade continuity in the southern portion of CH-7, underlain primarily by unit KIM-2, by drilling three near-vertical core holes, with each hole extending to 220 metres depth. Representative microdiamond samples will be collected along the length of the holes.

Successful integration of the summer 2014, winter 2015 and summer 2015 Diamond Resource Development results could add approximately one million tonnes and 2.5 million carats above 250 meters, to the Inferred Resource at CH-6. Assuming successful integration of the results from CH-7, the Company's objective is to declare a maiden Inferred Resource for CH-7 in the first quarter of 2016. The 2015 CH-7 bulk sample results will be used to determine the diamond grades for units KIM-2, KIM-3, KIM-4 and KIM-5.

In addition to the Diamond Resource Development program, the Summer 2015 program will include continuing environmental baseline studies. The total budget is estimated at \$3.75 million.

Dr. Herman Grütter, 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.

CHANGE TO BOARD OF DIRECTORS

[Peregrine Diamonds Ltd.](#) has accepted the resignation of Mr. Gordon Keep from its Board of Directors. Mr. Keep, who has resigned due to increased professional commitments, has been a director of the Company since it went public in 2005. Peregrine would like to sincerely thank him for his significant contributions to the growth of Peregrine and to the operating of the Board of Peregrine.

Peregrine's Board of Directors now consists of six members, Mr. Eric Friedland, Executive Chairman and the following five non-executive directors: Robert Boyd, Alan Carter, Richard Cohen, Myron Goldstein and Peter Meredith.

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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