

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Nov 17, 2015) - [Peregrine Diamonds Ltd.](#) ("Peregrine" or "the Company") (TSX:PGD) is pleased to report new microdiamond results from the CH-7 and CH-6 kimberlites at its 100% owned Chidliak diamond project ("Chidliak") in Nunavut, Canada. Interpretation of the CH-7 results supports an improved diamond content for the entire kimberlite pipe and confirms the exceptional diamond counts for the near-surface KIM-5 unit. The CH-6 results support continuity of the 2.58 carat per tonne ("cpt") grade in the dominant KIM-L unit and the potential to add an additional 1 million to 1.2 million tonnes, or an additional 2.5 million to 3.1 million carats to the existing 8.57 million carat Inferred Resource at CH-6 that occurs shallower than 250 metres of depth. This tonnage is currently considered as a Target for Further Exploration ("TFFE"). The TFFE is conceptual in nature and it is uncertain whether the 2015 Diamond Resource Development Program will result in this being delineated as a Mineral Resource.

The integration of these microdiamond results with the forthcoming CH-7 bulk sample results will enable the Company to maximize the Inferred Resource statements for the CH-6 and CH-7 kimberlites. The updated Inferred Resource will be included in a planned Preliminary Economic Assessment ("PEA"), scheduled for the second quarter of 2016.

The caustic fusion assays were performed on representative drill core from the CH-6 and CH-7 kimberlite pipes by the Saskatchewan Research Council Geoanalytical Laboratories ("the SRC").

Mr. Tom Peregoodoff, Peregrine's President and CEO said, "These new results confirm the potential to add significant carats to the Chidliak resource base. In 2014 we added over one million carats to the CH-6 Inferred Resource by core drilling, an increase of 15%. We believe that the results from our 2015 Diamond Resource Development Program have the potential to add significantly more to the known diamond content at the CH-6 and CH-7 kimberlites and will position us well for the upcoming PEA."

CH-7 CAUSTIC FUSION RESULTS

Representative samples were collected from archived drill core and from 840 metres of core acquired during the summer 2015 program. The 2015 core program sampled four of the five geological units in CH-7, representing the majority of the CH-7 pipe to 250 metres depth. The caustic fusion assay results from this work are presented in Table 1. For reference, pre-2015 caustic fusion results for CH-7 are presented in Table 2.

TABLE 1: 2015 CH-7 CAUSTIC FUSION RESULTS

Geological Unit	Sample Weight (dry kg)	Numbers of Diamonds According to Sieve Size Fraction (mm)											Total Diamonds
		+0.106 -0.150	+0.150 -0.212	+0.212 -0.300	+0.300 -0.425	+0.425 -0.600	+0.60 -0.85	+0.85 -1.18	+1.18 -1.70	+1.70 -2.36	+2.36 -3.35	+3.35 -4.75	
KIM-2	1262.6	543	412	249	163	81	56	20	8	2	5	0	1539
KIM-3	461.0	431	289	152	100	49	31	8	1	0	1	0	1062
KIM-4	336.55	198	181	88	50	37	20	12	4	2	2	0	594
KIM-5	146.4	197	152	98	70	40	14	7	5	1	2	0	586

TABLE 2: PRE-2015 CH-7 CAUSTIC FUSION RESULTS

Geological Unit	Sample Weight (dry kg)	Numbers of Diamonds According to Sieve Size Fraction (mm)											Total Diamonds
		+0.106 -0.150	+0.150 -0.212	+0.212 -0.300	+0.300 -0.425	+0.425 -0.600	+0.60 -0.85	+0.85 -1.18	+1.18 -1.70	+1.70 -2.36	+2.36 -3.35	+3.35 -4.75	
KIM-1	435.4	290	199	133	69	32	21	6	3	1	1	1	756
KIM-2	594.08	260	167	143	79	52	17	6	3	1	1	0	729
KIM-3	1026.9	642	456	290	177	55	51	34	10	2	1	1	1719
KIM-4	626.63	407	280	196	116	61	36	17	10	0	1	0	1124
KIM-5	239.31	571	363	227	168	66	39	31	13	3	0	1	1482

Aggregate of previously reported results, updated to reflect October 2015 geology unit boundaries

Results from a 47.2 dry tonne surface mini-bulk sample of the KIM-1 unit at CH-7 collected in 2010 established a benchmark diamond size frequency distribution curve corresponding to a 1.04 carat per tonne ("cpt") grade (+0.85 mm diamonds) for the CH-7 kimberlite. The 2014 and 2015 results from KIM-5 illustrate that this unit contains diamonds in quantities substantially exceeding the 1.04 cpt benchmark grade, and also exceeding the 2.58 cpt Inferred Resource grade for the CH-6 kimberlite. Size distribution data in Table 1 also demonstrates diamond content exceeding the 1.04 cpt benchmark for the KIM-3 and KIM-4 units at CH-7. In addition, new sample results from the volumetrically dominant KIM-2 unit at CH-7 support an improved diamond size frequency distribution and the proportion of commercial-size (+0.85 mm) diamonds recovered from this unit has increased compared to sampling from previous years. These results demonstrate the potential for an increased total diamond content of the entire CH-7 pipe.

CH-7 BULK SAMPLE UPDATE

The 2015, 558.5 wet tonne bulk sample from CH-7 consists of units KIM-2, KIM-3, KIM-4 and KIM-5. Dense Media Separation ("DMS") processing to a concentrate at the SRC is now complete for KIM-3, KIM-4 and KIM-5 and final diamond recovery and

sorting is in progress for concentrates from these three units. DMS processing of the KIM-2 bulk sample material has commenced. The increased total diamond content recently identified by the caustic fusion results reported above should be supported by the upcoming bulk sample results for CH-7 which are expected in January, 2016 as previously reported.

CH-6 CAUSTIC FUSION RESULTS

Representative microdiamond samples were collected from archived CH-6 drill core and 520 metres of core acquired during the summer 2015 program. The program was primarily designed to confirm resource expansion opportunities from additional unit KIM-L material above 250 meters of depth currently not included in the CH-6 Inferred Resource. KIM-L is the dominant geological unit within CH-6, comprising approximately 80% by volume of the pipe shallower than 250 metres of depth. The current CH-6 Inferred Resource of 8.57 million carats is composed entirely of KIM-L. As reported on January 16, 2014, a bulk sample collected from KIM-L by surface trenching returned a grade of 2.58 cpt. Caustic fusion results from the 2015 work program are presented in Table 3 along with an aggregation of previous CH-6 microdiamond results.

TABLE 3: CH-6 CAUSTIC FUSION DIAMOND RESULTS

Geological Unit	Sample Weight (dry kg)	Numbers of Diamonds According to Sieve Size Fraction (mm)											Total
		+0.106 -0.150	+0.150 -0.212	+0.212 -0.300	+0.300 -0.425	+0.425 -0.600	+0.60 -0.85	+0.85 -1.18	+1.18 -1.70	+1.70 -2.36	+2.36 -3.35	+3.35 -4.75	
CH-06KIM-L	965.45 ^a	1360	829	485	358	213	136	64	41	9	7	1	350
CH-06(OTHER) ^c	106.45 ^a	112	64	42	36	22	4	8	0	0	0	0	288
CH-06 KIM-L	3022.3 ^b	3951	2435	1586	1011	569	381	190	103	35	9	5	102
CH-06(OTHER) ^c	268.60 ^b	307	236	109	55	18	17	9	1	1	1	0	754

^a New results for samples from the 2015 resource development program

^b Aggregate of previously reported results, updated to reflect October 2015 geology unit boundaries

^c Includes KIM-C and several other minor geological units

The new results are consistent with previously reported caustic fusion data from CH-6 and supports continuity of the established KIM-L grade of 2.58 cpt into regions of KIM-L currently considered as TFFE.

These diamond results together with geologic data from 2015 core drilling that was reported on September 9, 2015 have supported the potential to expand the CH-6 resource by 1 million to 1.2 million tonnes, or approximately 2.5 million to 3.1 million carats, bringing the potential CH-6 diamond content to more than eleven million carats above 250 metres depth. As reported on February 26, 2014, a 1,013 carat parcel of diamonds from CH-6, valued by WWW International Diamond Consultants, returned an average market price of US\$213 per carat. Average prices for the 1, 2 and 3 carat size classes, which typically can form the majority of revenue from a diamond mine, were US\$293 per carat, US\$597 per carat and US\$482 per carat, respectively. The TFFE is conceptual in nature and it is uncertain whether the 2015 Diamond Resource Development Program will result in this being delineated as a Mineral Resource.

Dr. Jennifer Pell, Peregrine's Chief Geoscientist, is a Qualified Person and is responsible for logging Chidliak kimberlite core, with attendant responsibility to select and secure representative samples for caustic fusion diamond analysis. Dr. Herman Grütter, 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. Ms. Catherine Fitzgerald, Project Resource Geologist is a Qualified Person and is responsible for geological modeling of CH-6 and CH-7.

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

ABOUT PEREGRINE DIAMONDS

Peregrine Diamonds core asset is its 100 percent-owned, 582,476 hectare Chidliak project, located 120 kilometres from Iqaluit, the capital of Nunavut where 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 ("TFFE") 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 by WWW International Diamond Consultants, 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 TFFE 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 TFFE of 1.27 to 3.19 million tonnes to 250 metres depth has been defined at the CH-44 kimberlite pipe. The TFFEs identified above are conceptual in nature and are not Mineral Resources. It is uncertain whether further exploration will result in any of these tonnages being delineated as Mineral Resources.

In addition, Peregrine now controls eight prospective diamond prospecting licenses in Botswana that cover 574,600 hectares.

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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