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[Peregrine Diamonds Ltd.](#) ("Peregrine") (TSX:PGD) is pleased to announce that it has received gross proceeds of \$5.64 million from its rights offering which was announced on November 19, 2015 and completed on January 26, 2016.

An aggregate of 56,412,307 common shares of Peregrine were issued pursuant to the rights offering.

As a result of the completion of the rights offering, a total of 339,075,905 common shares of Peregrine are now issued and outstanding.

No U.S. Registration

The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S of the U.S. Securities Act) or person in the United States, unless an exemption from such registration requirements is available. Certain institutional accredited investors in the United States were permitted to participate in the rights offering on a private placement basis upon satisfying the Company that they qualify for an exemption from the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States. This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States.

ABOUT PEREGRINE DIAMONDS

Peregrine Diamonds is a TSX listed diamond exploration and development company with assets located in northern Canada and Botswana.

The Company's core asset is its 100 percent-owned Chidliak project, located 120 kilometres from Iqaluit, the capital of Nunavut. 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. 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. A Target for Further Exploration ("TFFE") of 3.72 to 6.01 million tonnes to a depth of 290 metres has been defined at the CH-7 kimberlite, where a 2015 bulk sample returned a grade of 0.88 carats per tonne. A TFFE of 1.27 to 3.19 million tonnes to 250 metres depth has also 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. The Company is actively exploring these licences.

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. Peregrine Exploration is also active in developing new diamond exploration plays in North America.

For information on see the technical reports, "2015 Technical Report for the Chidliak Project," dated February 23, 2015, and "[Peregrine Diamonds Ltd.](#) Lac de Gras Project Northwest Territories, Canada" 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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