



Toronto Stock Exchange  
Trading Symbol: PGD

February 12, 2009  
For Immediate Release

## PEREGRINE ANNOUNCES \$9.2 MILLION, 2009 DIAMOND EXPLORATION PROGRAMME AT CHIDLIAK, BAFFIN ISLAND, CANADA

Mr. Eric Friedland, Chief Executive Officer, and Mr. Brooke Clements, President of Peregrine Diamonds Ltd. ("Peregrine" or "the Company") (TSX:PGD) are pleased to report that a 2009 diamond exploration programme with a budget of \$9.2 million has been approved for the 9,800 square kilometre Chidliak property ("Chidliak" or "the Property"), Baffin Island, Nunavut, Canada.

Peregrine will be the operator of the exploration programme which will be fully funded by BHP Billiton.

As announced on November 24, 2008, BHP Billiton has elected to exercise its earn-in rights for Chidliak and under the terms of the earn-in agreement must incur a total of \$22.3 million dollars in exploration expenditures in order to earn a 51% interest in the Property, with a minimum commitment of \$8.9 million in exploration expenditures or cash payments in lieu to Peregrine. Upon successful completion of the earn-in, BHP Billiton will have a one-time election to earn an additional seven percent interest by delivering a fully engineered, bankable feasibility study on the Property.

Three diamondiferous kimberlites, designated CH-1, CH-2, and CH-3, were discovered at surface by Peregrine at Chidliak in 2008. On November 18, 2008, the Company announced that a 2.28 tonne sample collected from CH-1 returned a diamond content of 1.56 carats per tonne for diamonds larger than a 0.85 mm sieve size, and that a 2.01 carat, gem quality, octahedral diamond was recovered from the sample. Based on its geophysical signature, the estimated surface expression of CH-1 is six hectares. Approximately 170 kimberlite-type geophysical anomalies have been identified from an airborne geophysical survey completed in 2008 over less than 15 percent of the Property. Many of the geophysical anomalies are associated with kimberlite indicator mineral ("KIM") trains.

The 2009 Chidliak exploration program was carefully designed to further evaluate the known kimberlites, to drill-test high priority kimberlite-type targets and to prepare for a substantial 2010 exploration programme by expanding the till sample coverage and by prospecting and geochemical sampling of at least 100 of the known geophysical anomalies. Following are the key components of the 2009 exploration programme:

- **Drilling.** High priority kimberlite-type geophysical targets will be drill tested and approximately 500 metres of core drilling is planned for each new kimberlite discovery. The CH-1 kimberlite will be evaluated by core drilling and consideration will be given to drilling the CH-2 and CH-3 kimberlites this season.
- **Mini-bulk sample.** A mini-bulk sample of approximately 50 tonnes will be collected by trenching from the CH-1 kimberlite, shipped to an appropriate Canadian laboratory, and processed to recover commercial-sized diamonds. The sample will be collected using a Caterpillar® Skid Steer.
- **Heavy mineral sampling.** Approximately 1,200 till samples will be collected and processed to extract KIMs. The data will be used to prioritize exploration activities in 2010 including future drill targets.
- **Ground geophysics.** Ground magnetic and/or ground electromagnetic surveys will be completed on approximately 20 geophysical anomalies.
- **Ground checking of anomalies.** Over 100 geophysical anomalies will be evaluated on the ground by prospecting and geochemical sampling.
- **Camp construction.** A second exploration camp capable of supporting 25 people will be constructed.

- **Environmental baseline studies.** Baseline environmental and archaeological data will be collected and future access and infrastructure needs will be assessed.

BHP Billiton has the right to modify the approved budget.

The Chidliak boundary is located only 60 kilometres from Iqaluit, capital of Nunavut. Multiple access points to tidewater that connects to the Atlantic Ocean are present within the Property. Fuel, other consumables, construction materials and equipment were purchased and shipped to Iqaluit in 2008 in preparation for the 2009 exploration programme. As a result, mobilization to Chidliak is scheduled to begin in April 2009, two months ahead of previous programmes.

Mr. Brooke Clements, President of Peregrine, stated “We have planned an efficient diamond exploration programme that will involve up to 50 people, two helicopters, a core drill and excavation equipment. We are confident that additional diamondiferous kimberlites will be discovered and the process of evaluating the economic potential of the three diamondiferous kimberlites already identified will begin with the drilling and sampling of CH-1. All of this year’s work is intended to set the stage for a 2010 exploration programme that will likely include the testing of multiple new targets with at least two drills, the evaluation of additional kimberlites by a second phase of drilling and the collection of additional mini-bulk samples. The highest safety standards and respect for the environment and local communities will continue to be top priorities at Chidliak.”

Mr. Peter Holmes, P. Geo., Peregrine’s Vice President, Exploration, is a Qualified Person under NI 43-101 and is responsible for the design and conduct of the programs carried out by the Company on the Chidliak property. Mr. Holmes has reviewed this release and approves of its contents.

For further information, please contact Brooke Clements, President, Eric Friedland, CEO, or Peregrine Diamonds Investor Relations, at 604-408-8880 or at [investorrelations@pdiam.com](mailto:investorrelations@pdiam.com).

*Forward-Looking Statements: This news release contains forward-looking statements. 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 the proposed exploration program, funding availability, anticipated exploration results, resource estimates, 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 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 the availability and cost of funds, timing and content of work programs, results of exploration activities, interpretation of drilling results and other geological data, world diamond markets, future diamond prices, reliability of mineral property titles, changes to regulations affecting the Company’s activities, delays in obtaining or failure to obtain required project approvals, any changing budget priorities of BHP Billiton, operational and infrastructure risks, and other risks involved in the diamond exploration 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.*