

WHISTLE BLOWER POLICY

As part of its Corporate Governance practices, Peregrine Diamonds Ltd. (“Peregrine”) has a process called the **Whistle Blower Policy** that allows employees throughout the organization to report any unethical or illegal activity without fear of reprisal from their fellow employees, supervisor or other Company officials. Illegal activities include but are not limited to fraud, theft, accounting irregularities and bribery.

Peregrine’s **Code of Business Conduct and Ethics** (“the Code”) was given to you to ensure that you understand and agree with Peregrine’s commitment to a culture of **honesty, integrity and accountability**. The Code together with this Whistle Blower Policy is available on Peregrine’s website (www.pdiam.com) in the corporate governance section.

The Code provides the guidelines for employee behavior and establishes the basis for open communication. It has been written and distributed to ensure that employees acting in good faith have the means to report actual or potential violations.

If you observe or become aware of any actual or potential violation of the Code or any law or regulation, that you believe is not being properly addressed by your supervisor or management of Peregrine, **it is your responsibility** to report the circumstances to Peregrine’s Lead Director and Chair of the Company’s Corporate Governance Committee, as outlined below. It is this Director’s responsibility to investigate any potential violation and report on the investigation.

As per the Code’s principles, there will be no reprisals against employees, officers or directors for reporting violations. While all individuals are encouraged to identify themselves to facilitate a thorough and confidential investigation, you are not required to do so and you may make a report anonymously.

Please use any of the following options to contact Peregrine’s Lead Director and Chair of the Corporate Governance Committee should you observe a violation of our Code of Business Conduct and Ethics or a law or regulation that you believe has not been properly complied with or correction action has not been taken.

The Lead Director and Chair of the Corporate Governance Committee is Robert T. Boyd. He may be reached by confidential communication as follows:

Email: whistleblower@pdiam.com

Postal Address: Peregrine Diamonds Ltd.
Suite 201 – 1250 Homer Street
Vancouver, B.C. V6B 1C6
Canada
Marked Private & Confidential

Please review the Code of Business Conduct and Ethics regularly and do not hesitate to report any concerns through the options outlined above.