



Toronto Stock Exchange  
Trading Symbol: PGD

08-05  
February 28, 2008  
For Immediate Release

## **PEREGRINE DISCOVERS STRONG PLATINUM AND BASE METAL ANOMALIES ON CHIDLIAK, BAFFIN ISLAND**

Mr. Brooke Clements, President and Mr. Eric Friedland, Chief Executive Officer of Peregrine Diamonds Ltd. ("Peregrine" or "the Company") are pleased to report that the Company has discovered three separate areas with high concentrations of metals indicator minerals on the Chidliak Property ("Chidliak"), Baffin Island, Canada. Chidliak is situated approximately 150 kilometres northeast of Iqaluit, capital of Nunavut. Highly anomalous concentrations of the platinum-bearing mineral sperrylite, the zinc-bearing mineral gahnite and the copper-bearing mineral chalcopyrite were recovered from till samples collected in 2007.

These metals results, together with the encouraging kimberlite indicator mineral results for Chidliak announced on February 19, 2008, prompted the Company to apply, on a confidential basis, for prospecting permits that increased the size of the property by 50% to 980,000 hectares. Receipt of these permits was confirmed on February 1, 2008 by the Nunavut Mining Recorder.

A map showing the Chidliak property and Peregrine's complete 2.7 million hectare land position on Baffin Island is available at [www.pdiam.com/ii/maps/NA/BaffinProperties.jpg](http://www.pdiam.com/ii/maps/NA/BaffinProperties.jpg)

### **Metals Anomaly Areas**

All of the 970 till samples collected from Chidliak in 2006 and 2007 by Peregrine were sent to Overburden Drilling Management ("ODM") in Nepean, Ontario for kimberlite indicator mineral and metamorphic or magmatic massive sulphide indicator mineral analyses. ODM is an internationally recognized laboratory specializing in identifying kimberlite indicator minerals and indicator minerals associated with metallic ore deposits

Of the 970 samples collected on Chidliak, 220 contained at least one grain of either sperrylite, gahnite or chalcopyrite. In addition, approximately 350 of the 970 samples contained at least one gold grain with two samples containing over 100 gold grains. A mineral grain is a piece of that particular mineral recovered from a till sample concentrate that is generally less than 0.25 mm in size. Some of the gahnite and chalcopyrite grains were larger than 0.25 mm in size.

The three distinct metals anomaly areas on Chidliak are referred to as the Sperrylite Anomaly, the Gahnite Anomaly and the Chalcopyrite Anomaly.

### **Sperrylite Anomaly**

The Sperrylite Anomaly occurs over a broad area measuring approximately 10 km by 10 km. Of the 44 samples collected in this area, 17 contiguous samples contained anomalous sperrylite grain counts. Several samples outside of the Sperrylite Anomaly area also contain sperrylite including one sample with 60 sperrylite grains and 10% by weight of the mineral goethite. Goethite is present in gossans, which consist of iron-bearing weathered material that can overlie sulphide-associated deposits. Additionally, adjacent samples contained the minerals pyroxene and olivine. Pyroxene and olivine are associated with ultramafic rocks, the dominant source rocks for platinum/palladium and nickel mineralization.

Sperrylite is a platinum-bearing mineral that is often associated with rocks that contain platinum, palladium and nickel. Stuart Averill, President of ODM stated "Similar sperrylite grains recovered from till elsewhere in Canada were invariably found within a few hundred metres of their bedrock sources. The Chidliak Sperrylite Anomaly is the strongest we have seen from an exploration survey and is similar to an anomaly obtained from an orientation test at Sudbury". Sudbury, Ontario is Canada's most prolific nickel producing region.

### **Gahnite Anomaly**

The Gahnite Anomaly is approximately 2 km by 2.5 km in size and nine of ten samples collected within the area contained highly anomalous concentrations of gahnite ranging from 47 to approximately 1,600 grains. Gahnite is a primary indicator mineral for metamorphosed massive sulphide lead-zinc-silver-copper deposits like the famous Broken Hill deposit in Australia. Mr. Averill stated "This is one of the strongest gahnite anomalies we have seen."

### **Chalcopyrite Anomaly**

The Chalcopyrite Anomaly measures approximately 15 km by 20 km in size and eight of the 15 samples collected within the area contained chalcopyrite grains. One sample contained 320 chalcopyrite grains which is considered to be highly anomalous. Chalcopyrite is a very common mineral in copper deposits but usually only a small proportion of the grains survive in weathered glacial till.

### **2008 Work**

Peregrine is highly encouraged by the discovery of these metals anomalies on Chidliak. Planning is underway for an aggressive 2008 exploration field program for both diamonds and metals. The primary goal of the metals program will be to discover bedrock sources for the metals indicator minerals in one or more of the anomaly areas.

Peregrine plans to establish an exploration camp on Chidliak this June and a helicopter-borne magnetic/electromagnetic survey will commence shortly thereafter. The primary purpose of the survey will be to identify kimberlite targets, but a significant portion of the Sperrylite Anomaly will be covered and any possible metals targets will also be selected by Peregrine's geophysicist. The Sperrylite Anomaly, Gahnite Anomaly and Chalcopyrite Anomaly will be subjected to a detailed program of prospecting, geologic mapping and geochemical sampling. A limited drilling program may also take place if results warrant and weather permits.

### **Alliance with BHP Billiton**

The Chidliak property is owned 100% by Peregrine, subject to certain back-in rights held by BHP Billiton. After Peregrine has incurred a minimum of \$3 million and up to \$10 million of expenditures on the property, BHP Billiton has a one-time option to elect to acquire a 51% interest in the property by sole-funding five times the exploration expenditures that have been incurred (\$15 million to \$50 million). BHP Billiton has the right to earn an additional seven percent interest by sole-funding the complete costs of a bankable feasibility study. If this option is exercised, the resulting ownership interests in any potential mine would be BHP Billiton 58% and Peregrine 42%.

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 Baffin Island. Stuart Averill approved the use of his two quotes in this release.

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 document includes forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Peregrine's projects and other statements that are not historical facts. When used in this document, the words such as "could," "commonly," "confident," "plan," "encouraging," "estimate," "expect," "anticipated," "intend," "imply," "likely," "may," "potential," "should," "scheduled," "significant," "suggest", and similar expressions are forward-looking statements. Although Peregrine Diamonds Ltd. believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Important factors that could cause actual results to differ from these forward-looking statements are disclosed in the corporation's periodic filings with Canadian regulators.*