



**Toronto Stock Exchange
Trading Symbol: PGD**

**February 20, 2009
For Immediate Release**

PEREGRINE DIAMONDS ANNOUNCES COMPLETION OF RIGHTS OFFERING

Peregrine Diamonds Ltd. ("Peregrine") is pleased to announce that it has completed its rights offering, which was announced on January 19, 2009, for aggregate proceeds of \$3.51 million. The rights offering was fully subscribed.

An aggregate of 10,038,750 units, each unit comprising of one common share and one-half of one warrant, were issued to rightsholders. Each whole warrant entitles the holder to purchase one common share for a term of two years at a price of \$1.00 during the first year and \$1.50 during the second year of the term.

As a result of the completion of the rights offering, a total of 80,310,232 common shares of Peregrine are now issued and outstanding.

No U.S. Registration or Sales

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. Neither the rights offering circular nor the rights certificates were sent, and no securities were distributed, to any person in the United States, U.S. Person, or person holding for the account or benefit of any U.S. Person or person in the United States.

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.