



<b>B #:</b>	6354-17
<b>Date:</b>	07/24/2017
<b>To:</b>	All Clients
<b>Category:</b>	Dividends
<b>From:</b>	Supervisor, Stock Dividend Department
<b>Attention:</b>	Dividend Managers, Cashiers, and Reorganization Managers
<b>Subject:</b>	<b>Rights Offering:</b> Peregrine Diamonds Ltd. <b>CUSIP: 713916104 Rights CUSIP: 713916195 Record Date: 07/17/2017</b> <b>Rights Expire:</b> 08/15/2017 at 2:00 P.M. (Vancouver Time) <b>Rate:</b> One transferable right for each common share held

\*\*\*\*\*WARNING TIME CRITICAL\*\*\*\*\*

Peregrine Diamonds Ltd. is offering transferrable rights to its shareholders as of close of business July 17th, 2017 (the Record Date). Eligible holders are entitled to one right for each share of Peregrine Diamonds Ltd held. The rights expire on August 15, 2017 2:00 P.M. (Vancouver time). The rights are subject to certain restrictions for holders in non-qualifying jurisdictions.

Eligible for this rights distribution are the holders in each of the provinces and territories of Canada. Holders that reside in the USA and all other countries are not eligible to receive rights. Certificates will not be mailed to ineligible shareholders. Rights in respect of shares held by ineligible holders will be issued to and held by the subscription agent as agent for the benefit of ineligible shareholders.

The rights will be held until August 4<sup>th</sup>, 2017 either by the subscription agent or by the relevant securities broker or dealer, bank or trust company or other clients (including a Client) through which they hold securities. After such time, either the Subscription Agent or the relevant CDS clients, as the case may be, will attempt to sell such rights on a best efforts basis.

DTC will not be releasing rights. Clients with eligible shareholders wishing to have the rights released to them must send written instructions to the attention of Lori Byers of DTC's Stock Dividend Section.

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Participants may submit instructions by emailing [stockdividendprocessing@dtcc.com](mailto:stockdividendprocessing@dtcc.com) and [rlew@dtcc.com](mailto:rlew@dtcc.com) no later than **August 3<sup>rd</sup>, 2017**.

- **Subject Line:** Rights Instructions for Peregrine Diamonds Ltd. CUSIP: 713916104

Participants must contact Ray Lew at 212-855-4327 or Lori Byers at 212-855-5283 to confirm receipt of the instructions.

The following **MUST** be included in the written instructions

- Instructions must be on company letterhead
- Include company brick and mortar address
- DTC authorized indemnity clause
- Medallion stamp
- DTC Client number

The address stated in the instructions must be in an eligible jurisdiction. Instructions must include an indemnity clause and medallion stamp.

Be advised that a sample indemnification letter is accompanying this Important Notice.

The instructions will be processed only after acceptance by the Subscription Agent. **Clients will be responsible for receiving their Rights from the Subscription Agent.**

**RECORD DATE POSITION INFORMATION SHOULD BE CONFIRMED THROUGH THE CA WEB.**

If Clients have any questions regarding this Important Notice, they may contact DTC's Customer Help Center at (888) 382-2721.

SAMPLE INDEMNITY LETTER

YOUR COMPANY LETTERHEAD  
Brick and Mortar Address

Date: \_\_\_\_\_

Depository Trust & Clearing Corp.  
55 Water Street  
New York, NY 10041  
Attn: \_\_\_\_\_

Re: \_\_\_\_\_ CUSIP#: \_\_\_\_\_

Sir/Madam: \_\_\_\_\_

On record date \_\_\_\_\_, we held \_\_\_\_\_ shares at DTC on behalf of beneficial owners, entitling us to receive \_\_\_\_\_ Rights.

We hereby certify that all shares are beneficially owned by shareholders residing in the qualifying jurisdictions. These holders are therefore entitled to receive the Rights, please accept this letter as authorization to have Warrants released to us in the name of \_\_\_\_\_.

[INSERT INDEMNITOR’S NAME] hereby agrees to jointly and severally indemnify and defend DTC and Cede & Co., and each of their respective subsidiaries and affiliates, officers, directors, employees, agents and attorneys, (the "Indemnitees") against, and hold the Indemnitees harmless from, any Losses<sup>1</sup> and Legal Actions<sup>2</sup> suffered or incurred by the Indemnitees resulting from, relating to, arising out of or in connection with [INSERT THE NATURE OF THE REQUEST](the “Request”), except as a result of the Indemnitees willful misconduct or gross negligence or fraud. By way of example but not by way of limitation, this indemnity applies to Legal Actions between and/or among [INSERT INDEMNITOR’S NAME] and/or Indemnitees.

[INSERT INDEMNITOR’S NAME] represent and warrant that we are duly authorized to execute this indemnity.

Sincerely,

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Clients Number: \_\_\_\_\_

Phone #: \_\_\_\_\_

E-mail: \_\_\_\_\_

Place Medallion Signature Guarantee Stamp Here

<sup>1</sup> “Losses” means and includes all losses, liabilities, damages, judgments, liabilities, payments, obligations, costs and expenses (including, without limitation, any costs of investigation and legal fees and expenses incurred in connection with, resulting from, relating to, arising out of or in connection with the Request), regardless of whether or not any liability, payment, obligation or judgment is ultimately imposed against the Indemnitees.

<sup>2</sup> “Legal Action” means and includes any claim, counterclaim, demand, action, suit, countersuit, arbitration, inquiry, proceeding or investigation before any federal, state or foreign court or other tribunal, or any investigative or regulatory agency or self regulatory organization.

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