BLACK DIAMOND GROUP

NEWS RELEASE **March 23, 2010**

BLACK DIAMOND GROUP LIMITED REPORTS RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED DECEMBER 31, 2009

Calgary, Alberta — (TSX: BDI) Black Diamond Group Limited ("Black Diamond" or the "Company") is pleased to announce its financial and operational results for the three months and year ended December 31, 2009.

Revenue generated in the fourth quarter of 2009 was $15.6 million with EBITDA of $5.6 million for the period, compared to revenue of $22.6 million and EBITDA of $9.7 million for the same period in 2008. Both were lower than the prior year's comparable period which was due to a couple of large projects undertaken in the latter part of 2008 as well as the general utilization rates across all segments of the business being lower than in the prior year. Gross Profit Margin was stronger than the prior year due to a higher percentage of revenue being derived from the base rental platform of Black Diamond and a lower percentage of overall revenue generated from lower margin ancillary sources. Rental revenues were $8.9 million as compared to $10.5 million for the fourth quarter of 2008 – a 15% decrease. Non-rental revenues were $6.7 million as compared to $12.1 million in the fourth quarter of 2008 – a 45% decrease. Rental revenues declined largely due to the decline in the utilization rates of the Company's fleet as well as some increase in pricing pressure on the rental rates. Gross profit for the quarter was $9.3 million, down 31% from the fourth quarter of 2008. The gross profit margin was consistent for the fourth quarter of both years at 60%. EBITDA margins in the fourth quarter declined from 43% in 2008 to 36% in 2009 due to the incurrence of some one-time charges associated with the conversion of Black Diamond Income Fund (the "Fund") to the Company (the "Conversion") and the amendments to the credit facility as well as some allowances for bad debts. Earnings for the quarter were $4.2 million, compared with $5.9 million for the fourth quarter of 2008.

Revenue for the year 2009 increased marginally from 2008 from $73.6 million to $74.0 million. The gross profit in 2009 was $46.7 million or 63% as compared to $43.9 million or 60% in 2008. The increase in gross margin was due to a larger degree of revenue being derived from rental activity. EBITDA for 2009 was $34.5 million, up slightly from 2008. EBITDA did not increase in concert with the percentage increase in the gross profit due to the selling, general and administrative costs for the year being higher due to the scaling of personnel employed by the business, the incurrence of some one-time charges associated with the Conversion, and the amendments to the credit facility as well as some allowances for bad debts.

Capital spending was $19.6 million for the quarter which was equally divided between Workforce Accommodations fleet assets and Space Rentals fleet additions. For the year, capital expenditures amounted to $42.3 million which is higher than previously forecast due to the acquisition of some Space Rental assets and associated contracts in the US at the end of the year.

The Fund successfully completed a bought deal financing in December. A total of 1,842,110 trust units were issued at a price of $15.20 per trust unit for gross proceeds of $28,000,072, which included the full exercise by the underwriters of their over-allotment option to purchase an additional 197,370 trust units. As a result of increased capital expenditure activity in the quarter and the trust unit issuance, the Company decreased its net debt position by $11.3 million in the quarter, resulting in a net debt position at December 31, 2009 of $32.7 million.

The Workforce Accommodations division of Black Diamond generated $21.7 million of revenue from rental activity which is 18% higher than the rental revenues achieved in the prior year. The year over year increase is mainly attributable to the fleet growth. Non-rental revenue was lower than in the same period in the prior year due to a decline in sub-lease activity and installation revenue associated with work at a couple of large oilsand projects in 2008. Utilization of the workforce accommodation fleet averaged a respectable 86% for the year albeit lower than the 95% utilization rate of the prior year.

The Space Rentals division has grown its fleet size by 20% from December 2008. Due to the economic slowdown in all areas where the Space Rentals division has operations, utilization of this fleet was realized at levels below historical averages. As a result, the division's rental revenues were consistent with those of the prior year. In addition, non-rental revenue streams in the year were nearly 60% lower than the prior year due to a large custom project which occurred in 2008.

The Energy Services division generated $15.4 million in revenues representing an increase of 60% from the prior year due to the increase in the fleet of assets deployed in the division from the prior year. The drilling accommodations unit count is down 2% to 232 units while the surface rental equipment has increased by less than 1% to 1,015 pieces of rental equipment.

The Fund distributed $0.09 per trust unit per month throughout 2009 resulting payout ratio for the year of 39%. Post Conversion, management of Black Diamond plans to continue the monthly distribution in the form of a declared dividend. Management currently anticipates that the cash generated from operations will be sufficient to allow the Company to meet ongoing requirements for working capital, interest costs, planned capital expenditures, as well as dividend payments to shareholders.

The Company continues to deliver strong earnings from its rental platform. Revenue and earnings are lower than the fourth quarter of the previous year due to continued lower levels of field operations and custom sales. Management expects an increase in non-rental revenues in the first quarter and a strengthening trend throughout 2010. Rental revenues are also showing increases due to increased rates of utilization, recent fleet additions through purchases of new manufactured equipment and acquisition of third party fleets.

The Company has been very active with the creation of the Black Diamond Dene Partnership in the Horn River area of northern British Columbia, the purchase and significant expansion of an open lodge near Conklin, Alberta (Sunday Creek Lodge), the acquisition of Nortex Modular Leasing and Construction Company in Texas, the acquisition of oil sands camp assets and the acquisition of Paragon Energy Services (Saskatchewan) Ltd.. All of these transactions have occurred since September 2009. The aggregate of these transactions is transitional to Black Diamond and the Company has been actively adjusting to this much larger operating platform. The Company now owns and manages close to 5,000 pieces of rental equipment operating from 13 sales and service locations.

Further growth is underway as anticipated new contract awards will require further fleet expansion. As such, the Company has expanded its originally announced $69 million capital expenditure program for 2010 to $99 million with more than two thirds of the capital already committed. This capital expenditure program will allow the Company to secure additional long term facility rentals in western Canada and the southwestern United States.

The significant growth of the Company's rental fleets and operating platforms is expected to drive increased rental and non-rental revenue and corresponding earnings. It is anticipated that an immediate effect will be realized in Q1 of 2010 but that much of the transition will take several quarters to show full benefit.

The outlook for the Company is very positive as it hits new scale and the markets which it serves experience improving levels of activity. Q1 2010 is expected to be markedly higher than Q4 2009 and roughly in line with Q1 2009 with respect to revenue and earnings. This is primarily due to the unusually high non-rental revenue in Q1 2009. Q2 is expected to show substantial improvements over the previous year period as new project deployments and the expanded fleet and operating platform impact the Company's results.

Summary Financial Statements

The following is a summary of the Company's consolidated balance sheets as at December 31, 2009 and December 31, 2008, the Company's consolidated statements of net income, comprehensive income and retained earnings/(deficit) and consolidated statements of cash flows for the years ended December 31, 2009 and 2008. These summary statements should be read in conjunction with the Company's audited consolidated financial statements including the accompanying notes for the years ended December 31, 2009 and 2008 as filed on SEDAR.

Black Diamond Group Limited
(formerly Black Diamond Income Fund)
CONSOLIDATED BALANCE SHEETS

(Expressed in thousands of dollars)

As at	December 31, 2009	December 31, 2008
	$	**$**
ASSETS		
Current		
Accounts receivable	12,553	19,877
Prepaid expenses and other current assets	874	1,846
	13,427	21,723
Property and equipment	156,188	129,884
Intangible assets	9,821	10,737
Goodwill	29,316	29,316
	208,752	191,660
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Bank indebtedness	9	4,889
Accounts payable and accrued liabilities	9,149	9,865
Distributions payable	1,234	1,065
Current portion of capital lease obligation	639	602
	11,031	16,421
Capital lease obligation	561	1,200
Long-term debt	31,472	42,000
Asset retirement obligation	1,116	—
Future income taxes	11,724	12,776
	55,904	72,397
Commitments		
Shareholders' equity		
Share capital	146,366	—
Unitholder capital	—	119,446
Contributed surplus	969	525
Non-controlling interest	51	—
Retained earnings/(deficit)	5,462	(708)
	152,848	119,263
	208,752	191,660

Black Diamond Group Limited
(formerly Black Diamond Income Fund)
CONSOLIDATED STATEMENTS OF NET INCOME, COMPREHENSIVE INCOME AND RETAINED EARNINGS/(DEFICIT)

(Expressed in thousands of dollars, except per share amounts)

	Year ended	
	December 31, **$**	**December 31,** **$**
Revenue	74,008	73,629
Direct costs	27,330	29,777
	46,678	43,852
Expenses		
Selling, general and administrative costs	12,201	9,500
Amortization of property and equipment	13,624	8,977
Amortization of intangible assets	991	990
Accretion of asset retirement obligation	22	—
Foreign exchange loss	3	—
Interest	1,561	1,540
Stock-based compensation	372	474
	28,774	21,481
Gain on disposal of fire damaged assets	825	—
Income before income taxes and non-controlling interest	18,729	22,371
Future income tax expense	(448)	2,440
Income before income attributable to non-controlling interest	19,177	19,931
Net income attributable to non-controlling interest	51	—
Net income and comprehensive income attributable to Black Diamond Group Limited	19,126	19,931
Deficit, beginning of year	(708)	(8,996)
Distributions declared	(12,956)	(11,643)
Retained earnings/(deficit), end of year	5,462	(708)
Net income per share		
Basic	1.60	1.87
Diluted	1.54	1.85

Black Diamond Group Limited
(formerly Black Diamond Income Fund)
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in thousands of dollars)

	Year ended	
	December 31, 2009	**December 31, 2008**
	$	$
Operating activities		
Net income for the year	19,126	19,931
Add non-cash items:		
Amortization of property and equipment	13,624	8,977
Amortization of intangible assets	991	990
Accretion expense on asset retirement obligation	22	—
Gain on disposal of fire damaged assets	(825)	—
Future income taxes	(448)	2,440
Stock-based compensation expense	372	474
Earnings attributable to non-controlling interest	51	—
	32,913	32,812
Change in non-cash working capital related to operating activities	10,116	(8,412)
	43,029	24,400
Investing activities		
Purchase of property and equipment	(38,008)	(59,888)
Additions to intangible assets	(75)	—
Change in non-cash working capital related to investing activities	(2,536)	(1,407)
	(40,619)	(61,295)
Financing activities		
Proceeds from long-term debt	13,200	47,000
Repayment of long-term debt	(23,728)	(30,420)
Repayment of capital lease	(602)	(476)
Net proceeds from issuance of units	26,238	26,506
Distribution payments	(12,787)	(10,411)
Advance to related party	—	(1,008)
Bank indebtedness	(4,880)	4889
Stock options exercised	149	(117)
	(2,410)	35,963
Increase (decrease) in cash	—	(932)
Cash (Bank indebtedness), beginning of year	—	932
Cash, end of year	—	—

Additional Information

A copy of the Company's consolidated financial statements for the year ended December 31, 2009 and management's discussion and analysis for the year ended December 31, 2009 have been filed with the Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

Conference Call

Black Diamond will host a conference call for analysts, investors and interested parties to discuss its financial and operational results at 4:00 p.m. MST on March 23, 2010. Trevor Haynes, President and Chief Executive Officer, and Michael Burnyeat, Vice President, Finance and Chief Financial Officer, will be in attendance. The call can be accessed by calling 416-340-8018 or toll free 1-866-223-7781 prior to the scheduled start time. Digital playback of the conference call will be available on the Company's website.

About Black Diamond

Black Diamond is an Alberta company, the principal undertaking of which, through its indirect wholly-owned subsidiary, Black Diamond Limited Partnership, and through its 50% equity participation in the Black Diamond Dene Limited Partnership, is to rent modular structures for use as workforce accommodation and temporary workspace, and to provide complementary services including transportation, installation, dismantling, repair and maintenance of modular structures, as well as related services through three operating divisions consisting of Black Diamond Camps, BOXX Modular and Black Diamond Energy.

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Reader Advisory

Certain information in this news release contains forward-looking statements including management's assessment of future plans and operations of Black Diamond including, without limitation, statements relating to utilization rates, fleet size, revenue, cash flows, capital expenditures, further deployment of equipment, demand from existing and new customers and dividend levels. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Black Diamond's control including, without limitation, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of exchange rates, environmental risks, industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements. Readers are cautioned that the forgoing list of factors is not exhaustive. Additional information on these and other factors that could affect Black Diamond's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) and at Black Diamond's website (www.blackdiamondlimited.com). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Black Diamond does not undertake any obligation to update publicly or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

In this news release, the following terms have been referenced: EBITDA (earnings before interest, taxation, depreciation and amortization), gross profit and payout ratio. Readers are cautioned that these measures are not defined under Canadian Generally Accepted Accounting Principles ("GAAP"). Readers are cautioned that these non-GAAP measures are not alternatives to measures under GAAP and should not, on their own, be construed as an indicator of the Company's performance or cash flows, a measure of liquidity or as a measure of actual return on the common shares of the Company. These Non-GAAP measures should only be used in conjunction with the consolidated financial statements of the Company. A reconciliation between these measures and measures defined under GAAP is included in management's discussion and analysis for the year ended December 31, 2009 filed on SEDAR.

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.