



NEWS RELEASE

November 10, 2010

**BLACK DIAMOND GROUP LIMITED REPORTS RESULTS FOR THE THIRD QUARTER
ENDED SEPTEMBER 30, 2010**

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 ended September 30, 2010.

Revenue generated in the third quarter of 2010 was \$34.2 million with EBITDA of \$12.4 million for the period, compared to revenue of \$14.9 million and EBITDA of \$7.7 million for the same period in 2009. Revenue was higher than the prior year's comparable period mainly due to the newly acquired US operations that contributed approximately \$5.4 million and \$10.2 million of lodging revenue generated from the Sunday Creek Lodges and Horn River operated camps. Gross profit for the quarter was \$17.7 million, up 65% from the third quarter of 2009. Gross Profit margin at 52% was lower than the prior year, as a higher percentage of overall revenue was generated from lodging and ancillary sources which generates lower margins than rental streams. Rental revenues were \$10.9 million as compared to \$9.0 million for the third quarter of 2009 a 21% increase. Lodging revenue was \$10.2 million in the quarter compared to \$nil in 2009 as Sunday Creek Lodges only began operations in September 2009, along with the introduction of the Black Diamond Dene Limited Partnership in the Horn River area. Non-rental revenues were \$13.1 million as compared to \$5.9 million in the third quarter of 2009 – a 123% increase.

EBITDA margins in the third quarter were 36% down from 52% in 2009, due to the increase in the level of non-rental revenues generated. Earnings for the quarter were \$4.2 million or \$0.25 per share, compared with \$2.3 million or \$0.19 per share for the third quarter of 2009.

The Workforce Accommodations division of Black Diamond generated \$4.4 million of revenue from rental activity. Utilization of the workforce accommodation fleet averaged 89% for the period up from 83% for the third quarter of 2009. Non-rental revenue at \$6.4 million was 85% higher than in the same period in the prior year due to install activity and used fleet sales in the quarter. The operating open camps, Sunday Creek Lodges, had 234 units at the end of September 2010. This lodging revenue was augmented by revenue from the operated camps in the Horn River area. Revenue associated with room and board in the operated camps was \$10.2 million.

The Canadian Space Rentals division has grown its fleet size by 11% from June 2009. Utilization of the space rental fleet averaged 81% for the period compared to 59% for the same period in 2009. Downward pressure on rental pricing in the industry was experienced through the economic downturn and has been slow to recover, which led to a smaller increase in rental revenues than anticipated given the recovery experienced in utilization. In many of the markets the Company operates in, modest increases in rental rates have begun.

The US Space Rentals division had 1,145 units at September 30, 2010. Approximately 900 of the units were acquired in the Nortex acquisition which was completed on January 1, 2010, 90 units were purchased from Nortex in December 2009 and the remaining 155 units were acquired in small US equipment acquisitions completed in April and August 2009. Utilization rates were slightly lower than in the Canadian operations, averaging 65% for the quarter.

The Energy Services division generated \$3.7 million in revenue, consistent with the third quarter of 2009. This is a result of lower utilization of the drilling accommodations fleet offset by stronger utilization rates experienced in the surface rental fleet which had grown from Q3 2009 due to the acquisition of Paragon Energy Saskatchewan in January 2010. The drilling accommodations unit count is down 5% to 224 units while the surface rental equipment has increased by 243 to 1,258 pieces of rental equipment.

The Company declared dividends of \$0.09 per common share per month in the quarter resulting in a payout ratio for the quarter of 37%. Management of Black Diamond plans to continue this monthly dividend and is confident that the cash generated from operations will be sufficient to allow it to meet ongoing requirements for the foreseeable future for working capital, maintenance costs, SG&A costs, interest costs as well as dividends to shareholders.

The Company's results for the third quarter reflect the increased scale of operations following the acquisition of Nortex Modular and Paragon Saskatchewan and the expanded facilities at Sunday Creek Lodges. They also reflect improving activity levels in the markets which Black Diamond serves.

Management has a positive outlook for the next two quarters. A series of major project contract awards to the Company's U.S. division are anticipated to result in increased contributions in Q4 2010 and Q1 2011 from the Space Rentals segment. Some of these projects are for long-term rental of new modular structures, adding fleet growth and incremental rental revenue growth for this division. Additions to the Canadian Space Rentals fleet along with strengthening utilization and rental rates across most operating locations are also anticipated to contribute to overall stronger performance.

Final commissioning of the previously announced Kiwigana base camp and the Cabin Gas Plant construction camp in Horn River are expected to result in higher operations revenue followed by increased rentals as these facilities come on rent. The ramp up of occupancy at the Spectra Gas Plant construction camp along with the commencement of rent at several smaller facilities in the Horn River basin are expected to augment revenue growth in this key area. Continued guaranteed occupancy at Sunday Creek Lodge and the commissioning and rental commencement of a previously announced 500 person VIP facility are expected to provide earnest revenue from the oil sands resource area. Further expansion and commissioning of key mining camps in BC and Saskatchewan are expected to round out the very robust Workforce Accommodations segment.

Activity in the Bakken, Saskatchewan potash drilling, Horn River and Montney resource areas are driving higher utilization for the surface rentals fleet of the Company's Energy Services division. The new strategic partnership in the Fort St. John region is expected to deliver strengthened revenues from this large and flourishing activity area. It is anticipated that the drilling accommodation assets operated by this business unit will see strengthened utilization in the next two quarters due to higher industry demand.

With strength in all three business units, additional capital assets being deployed and major operational revenues under contract, management anticipates consequential strengthening of revenue and EBITDA results for the next two quarters as the Company reaches the increased run rate of revenue and EBITDA generation expected as a result of the major capital deployment initiatives of the past twelve months.

Summary Financial Statements

The following is a summary of the Company's consolidated balance sheets as at September 30, 2010 and December 31, 2009, the Company's consolidated statements of net income, comprehensive income and retained earnings and consolidated statements of cash flows for the three and nine month periods ended September 30, 2010 and 2009. These summary statements should be read in conjunction with the Company's consolidated financial statements including the accompanying notes for the three and nine month periods ended September 30, 2010 as filed on SEDAR.

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

(Expressed in thousands of dollars)

As at	September 30, 2010	December 31, 2009
	\$	\$
ASSETS		
Current		
Accounts receivable	25,419	12,553
Prepaid expenses and other current assets	1,845	874
	27,264	13,427
Property and equipment	220,397	156,188
Intangible assets	12,531	9,821
Goodwill	35,154	29,316
	295,346	208,752
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Bank indebtedness	5,619	9
Accounts payable and accrued liabilities	21,092	9,149
Dividends payable	1,481	1,234
Current income taxes payable	467	-
Current portion of capital lease obligation	667	639
	29,326	11,031
Capital lease obligation	57	561
Long-term debt	45,000	31,472
Risk management liability	1,961	-
Asset retirement obligations	1,250	1,116
Future income taxes	23,727	11,724
	101,321	55,904
Shareholders' equity		
Share capital	189,400	146,366
Contributed surplus	1,370	969
Non-controlling interest	(112)	51
Accumulated other comprehensive income	(1,471)	-
Retained earnings	4,838	5,462
	194,025	152,848
	295,346	208,752

Black Diamond Group Limited
(formerly Black Diamond Income Fund)
CONSOLIDATED STATEMENTS OF NET INCOME
(unaudited)

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

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2010	2009	2010	2009
	\$	\$	\$	\$
Revenue	34,221	14,918	96,352	58,460
Direct costs	16,536	4,168	46,922	21,029
	17,685	10,750	49,430	37,431
Expenses				
Selling, general and administrative costs	5,239	2,980	15,014	8,565
Amortization of property and equipment	4,919	3,413	13,833	9,940
Amortization of intangibles	446	248	1,215	743
Accretion on asset retirement obligation	25	-	72	-
Acquisition costs	-	-	289	-
Foreign exchange (gain)- realized	-	-	(820)	-
Foreign exchange (gain)/ loss- unrealized	(111)	65	(71)	65
Interest	604	334	1,661	1,028
Stock-based compensation	286	99	674	290
	11,408	7,139	31,867	20,631
Income before income taxes and non-controlling interest	6,277	3,611	17,563	16,800
Income tax expense				
Current	242	-	827	-
Future	1,870	1,336	4,346	1,891
	2,112	1,336	5,173	1,891
Income before income attributable to non-controlling interest	4,165	2,275	12,390	14,909
Net (loss)/income attributable to non-controlling interest	(31)	-	43	-
Net income attributable to Black Diamond Group Limited	4,196	2,275	12,347	14,909
Net income per share				
Basic	0.25	0.19	0.78	1.26
Diluted	0.25	0.19	0.76	1.24

Black Diamond Group Limited
(formerly Black Diamond Income Fund)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME AND
RETAINED EARNINGS
(unaudited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

	Three months ended		Nine months ended	
	September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009
	\$	\$	\$	\$
Net income attributable to Black Diamond Group Limited	4,196	2,275	12,347	14,909
Net change in derivative financial instruments designated as cash flow hedges				
Unrealized loss (net of tax)	(410)	-	(1,471)	-
Comprehensive income	3,786	2,275	10,876	14,909
Comprehensive income per share				
Basic	0.23	0.19	0.69	1.26
Diluted	0.23	0.19	0.67	1.24

CONSOLIDATED STATEMENT OF RETAINED EARNINGS/(DEFICIT)

(Expressed in thousands of dollars)

	Three months ended		Nine months ended	
	September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009
	\$	\$	\$	\$
Retained earnings/ (deficit), beginning of period	5,084	5,535	5,462	(708)
Net income	4,196	2,275	12,347	14,909
Dividends declared	(4,442)	(3,196)	(12,971)	(9,587)
Retained earnings, end of period	4,838	4,614	4,838	4,614

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

(Expressed in thousands of dollars)

	Three months ended		Nine months ended	
	September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009
	\$	\$	\$	\$
Operating activities				
Net income for the period	4,196	2,275	12,347	14,909
Add (deduct) non-cash items:				
Amortization of property and equipment	4,919	3,413	13,833	9,940
Amortization of intangible assets	446	248	1,215	743
Accretion of asset retirement obligation	25	-	72	-
Foreign exchange loss- unrealized	(111)	-	(71)	-
Future income taxes	1,870	1,336	4,346	1,891
Stock-based compensation expense	286	99	674	290
Earnings attributable to non-controlling interest	(31)	-	43	-
	11,600	7,371	32,459	27,773
Change in non-cash working capital related to operating activities	16,374	(2,583)	7,478	6,325
	27,974	4,788	39,937	34,098
Investing activities				
Purchase of property and equipment	(19,799)	(10,688)	(45,746)	(22,053)
Business acquisitions	-	-	(17,945)	-
Change in non-cash working capital related to investing activities	(9,787)	(163)	(9,787)	(1,996)
	(29,586)	(10,851)	(73,478)	(24,049)
Financing activities				
Proceeds from long-term debt	5,000	5,000	41,969	6,000
Repayment of long-term debt	(2,980)	-	(28,441)	(4,000)
Repayment of capital lease	(160)	(153)	(475)	(449)
Net proceeds from issuance of shares	-	-	24,079	-
Purchase of shares in trust	-	-	(100)	-
Dividend payments	(4,441)	(3,195)	(12,930)	(9,586)
Bank indebtedness	4,117	2,829	5,610	(2,060)
Stock options exercised	76	46	3,829	46
	1,612	4,527	33,541	(10,049)
Increase/ (decrease) in cash	-	(1,536)	-	-
Cash, beginning of period	-	1,536	-	-
Cash, end of period	-	-	-	-
Cash paid during the period for:				
Interest	604	327	1,661	694

Additional Information

A copy of the Company's unaudited consolidated financial statements for the three and nine month periods ended September 30, 2010 and related management's discussion and analysis 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 November 10, 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 416-340-8527 or toll free 1-877-440-9795 prior to the scheduled start time. Digital playback of the conference call will be available on the Company's website.

About Black Diamond

Founded in 2003, Alberta-based Black Diamond Group Limited is a leading provider of temporary and permanent modular building and energy services products. Through its wholly-owned subsidiaries, Black Diamond Limited Partnership, Nortex Modular Leasing and Construction Company and through its 50% equity participation in the Black Diamond Dene Limited Partnership and Black Diamond West Moberly Limited Partnership, Black Diamond operates three complementary divisions in thirteen strategic locations across Canada and USA.

Black Diamond Camps and Logistics rents and sells remote workforce housing and provides associated services; BOXX Modular specializes in renting or selling a broad range of modular work space solutions and Black Diamond Energy Services rents and sells a full complement of oilfield equipment and services. Black Diamond provides world-class services to a full spectrum of industries including oil, gas, mining, power, construction, engineering, military, government and education.

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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, EBITDA, margins, 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 three and nine month periods ended September 30, 2010 filed on SEDAR.

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