NEWS RELEASE March 7, 2012

BLACK DIAMOND GROUP LIMITED REPORTS RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED DECEMBER 31, 2011

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, 2011.

Fourth Quarter 2011

Black Diamond's strategic growth and diversification over the past several years has resulted in record revenue generation in the fourth quarter of 2011 of $66.2 million with EBITDA of $25.5 million for the period, compared to revenue of $43.4 million and EBITDA of $15.1 million for the same period in 2010.

Rental revenue generated of $25.4 million was 74% higher than the prior year's comparable period due to the increase in the rental fleet of the Company as well as utilization and rental rate increases for many of the asset classes and branch operations of the Company. In addition, non rental revenue of $29.4 million was almost double that of Q4 2010 due largely to the increased operational activity augmented by sales of new manufactured product and used fleet sales recognized in the quarter. Lodging revenue was $11.3 million **-** off slightly from the prior year due to a more significant absence of people in camp over the holiday season as compared to 2010.

EBITDA margins of 39% for the quarter were up from the 35% generated in the prior year. This is a result of maintaining the gross margins for the Company at 52% with a decline in the administrative costs as a percentage of the revenue generated from 17% to 14% for the comparable quarter. Some highlights from each of the operating divisions for the quarter are as follows:

Camps & Logistics:

The division ended the quarter with 1,761 units in the rental fleet which averaged 94% utilization for the period. The division generated $37.6 million in revenue compared to $23.7 million in the same quarter of 2010. Large increases in revenues came from rentals which increased by 91% over Q4 2010 to $13.7 million. This was a result of the larger fleet of assets. Non rental revenues increased by over 300% in the quarter due to operational revenues associated with the install of some significant projects and the realization of some sales of both newly manufactured products as well as some used fleet sales in the quarter. Lodging revenues was $11.3 million, down slightly from the comparable period of 2010. As a result of the foregoing, EBITDA generated in the quarter for the accommodations division was $19.1 million or 66% higher than that generated in the same period last year.

Boxx Modular:

The division ended the quarter with 2,689 units in the rental fleet which averaged 76% utilization for the period. The division generated $15.5 million in revenue compared to $14.1 million in the same quarter of 2010. The increase in the revenues was due to the increase in fleet size from the prior year end by 8% as well as a slight increase in utilization rates year over year. Non rental revenue was up slightly as a result of some additional custom sales of equipment in Canada which were largely offset by less custom sale activity coming from the US operations. The increase in the rental revenue and better margins achieved on some of the operations resulted in this division generating $4.6 million in EBITDA for the quarter which was 114% more than the prior year.

Energy Services:

The division ended the quarter with 2,298 units in the surface rental fleet which averaged 52% utilization for the period and 222 pieces of drilling accommodations fleet which averaged 37% utilization during the quarter. The division generated $13.1 million in revenue compared to $5.7 million in the same quarter of 2010. The large increase in the size of the surface rental fleet (growing by 82% year over year) as well as increased utilization and rental rates on the equipment resulted in the rental revenues increasing for the quarter to $6.6 million or 150% over Q4 of last year. The operations associated with the larger fleet more than doubled the non rental revenue to $6.5 million for the quarter. As such, the EBITDA generated by this division for the quarter was $5.6 million, up over 120% from the same period of 2010.

Year Ended December 31, 2011

The year to date results for 2011 reflect the acquisitions and organic capital spend undertaken by the Company during the past couple of years. The net result of this corporate activity was record revenue for the year 2011. The revenue increased from $139.8 million in 2010 to $241.8 million in 2011. Revenues from rental activity were $83.3 million as compared to $47.1 million for 2010. Lodging revenue was $49.0 million in 2011 as compared to $39.1 million in 2010 as Sunday Creek Lodge and other operated camp facilities had higher levels of occupancy across the year. Operations revenue in support of rental and lodging revenues was $109.5 million as compared to $53.5 million in 2010. EBITDA generated in 2011 was $94.1 million up 86%. All of the divisions had materially more revenue and EBITDA than the prior year. More specifically:

Camps & Logistics:

This division generated $143.2 million in revenue for the year as compared to $79.2 million in 2010. Rental revenue was $45.6 million for the year – a 118% increase. This was due to the increased fleet size and higher utilization rates. Non rental revenues were also up significantly to $48.6 million as a result of more project deployments undertaken in the year, some custom sales and the sale of some older fleet into the secondary market. Lodging revenue of $49 million for the year was 25% greater than the prior year. Overall, utilization rates for this division remained high at 93% for the year. As a result, the EBITDA generated in the year by this division was $69.8 million or 95% higher than in 2010.

Boxx Modular:

This division generated $61.6 million in revenue for the year as compared to $42.2 million in 2010. Rental revenue was $19.7 million for the year – a 20% increase. An 8% increase in the fleet size along with an increase in the utilization rate resulted in rental revenues increasing by 20% to $19.7 million for the year. Non rental revenues of $41.8 million were 63% higher as a result of significantly more custom sale activity coming from the Canadian operations offset slightly by less custom sale activity coming from the US group. Higher rental revenues and better margins on the non-rental activities in the year led to a 150% increase in EBITDA to $19.9 million for this division.

Energy Services:

This division generated $37.1 million in revenue for the year as compared to $18.4 million in 2010. Rental revenue was $18.0 million for the year – a 100% increase. The fleet size increased by 82% along with higher average utilization and rental rates realized in the year had the rental revenues and the associated operational revenues doubling year over year to $18.0 million and $19.0 million, respectively. EBITDA generated by this division was $14.4 million – an increase of 110% from the prior year.

Balance Sheet

The Company ended the period with net debt of $34.1 million, comprised of $25 million drawn on its' capital facility, senior secured notes of $61 million, net of amortized set up costs, and a working capital surplus of $52 million including a cash position of $23 million.

On August 25, 2011 the Company completed a split of all of the issued and outstanding common shares on a basis of two common shares for every one existing common share held. The current number of shares outstanding is 37.2 million.

Dividends

The Company paid dividends of $0.0475 per share per month throughout the fourth quarter 2011 resulting in a payout ratio for the period of 23%, compared to 29% for the same period in 2010. The annual dividend paid out amounted to $0.57 per share representing a payout ratio of 22% as compared to 35% paid out in the prior year. Concurrent with the January 2012, the monthly dividend declared increased by 15% to $0.055 per share or $0.66 per share on an annual basis. The Board of Directors of Black Diamond is confident that the cash generated from operations will be sufficient to meet the dividend obligations.

Outlook

2011 has been a successful year for Black Diamond. Management is very pleased with the significant growth that has been achieved over the past four quarters across all of the Company's business units. Black Diamond's business model continues to deliver organic expansion as well as future growth opportunities through potential acquisitions. Black Diamond is well positioned to capitalize on continued investment in the natural resource and energy sectors as the company has significant experience and existing capacity to deliver projects for its customers.

Overall, the outlook for the Company remains very positive. Underpinned by a solid project pipeline of core customers management anticipates the Company will continue to experience strong demand for its products and services in all operating divisions in 2012.

Black Diamond continues to see robust demand for oilfield services in key North American unconventional oil and gas shale plays. Industry conditions for drilling and completions are expected to remain strong and therefore management expects to see equally strong utilization rates which will provide confidence for an increased fleet size in the Energy Services division.

Management expects the BOXX Modular business to remain consistent in terms of revenue and utilization for Q1 with planned strong fleet growth in subsequent quarters expected to translate into good revenue growth in Canada. Management continues to anticipate soft major projects revenue in the U.S. and expect results to remain consistent with the previous quarter with only modest growth in the foreseeable future.

Throughout 2012 management expects to see high utilization rates and strong pricing in the key regional markets of the Camps and Logistics divisions. Sunday Creek Lodge continues to have a high utilization rate and within the Camps division there is equally strong utilization in the existing asset base. Q1 will see lower operations revenues due to project timing. Growth is expected to continue in subsequent quarters with planned meaningful fleet additions.

Management anticipates Q1 2012 to show incremental EBITDA growth as compared to Q1 2011 and to be roughly in-line with the strong performance realized in Q4 2011. Non rental revenues are expected to be lower than Q4 leading to overall lower revenue however it is anticipated that rental revenue growth will support EBITDA levels. Overall, management foresees continued strength throughout 2012 in the Company's multi-service platform and anticipates growth on a year over year basis as capex is expended toward rental fleet growth.

The Company has firmly committed $59 million of the previously announced $70 million budgeted capex as a result of robust characteristics in the Company's core market areas. Resulting fleet additions and corresponding rental revenue growth will be weighted to the second half of the year.

In summary, Black Diamond continues to have an attractive and well-positioned competitive standing, with a strong market position. Barring resource development in Western Canada slowing, management expects continued steady growth in the Company's revenues during 2012. Management continues to evaluate a number of potential acquisition opportunities however remains committed to a disciplined growth and acquisition strategy.

Summary Financial Statements

The following is a summary of the Company's audited consolidated statement of financial position as at December 31, 2011 and 2010 as well as January 1, 2010, and the Company's audited consolidated statements of net income and cash flows for the years ended December 31, 2011 and 2010. As of January 1, 2011, Black Diamond adopted International Financial Reporting Standards (IFRS). Black Diamond's effective transition date is January 1, 2010. A comprehensive summary of all the significant changes including reconciliations of Canadian GAAP financial statements to those prepared under IFRS are included in note 30 of the Company's audited consolidated financial statements for the year ended December 31, 2011 as filed on SEDAR. These summary statements should be read in conjunction with the Company's audited consolidated financial statements including the accompanying notes for year ended December 31, 2011 as filed on SEDAR.

Black Diamond Group Limited

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in thousands)

As at	December 31, 2011	December 31, 2010	January 1, 2010
	$	$	$
ASSETS			
Current			
Cash and cash equivalents	22,990	-	-
Trade and other receivables	47,641	35,079	12,553
Due from related parties	1,313	1	-
Prepaid expenses and other current assets	7,978	2,491	874
	79,922	37,571	13,427
Non-Current			
Property and equipment	301,073	247,160	156,488
Intangible and other non-current assets	10,778	12,064	9,821
Goodwill	34,657	34,591	29,316
	426,430	331,386	209,052
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Bank indebtedness	-	6,776	9
Accounts payable and accrued liabilities	24,708	32,128	9,149
Due to related parties	1,415	448	-
Dividends payable	1,771	1,481	1,234
Current income taxes payable	44	68	-
Finance lease obligation	-	561	639
	27,938	41,462	11,031
Non-Current			
Finance lease obligation	-	-	561
Long-term debt	86,130	66,000	31,472
Deferred revenue	80	543	-
Risk management liability	2,074	1,402	-
Asset retirement obligations	1,907	1,780	1,645
Deferred tax liabilities	38,892	25,571	11,724
	157,021	136,758	56,433
Shareholders' equity			
Share capital	240,350	187,925	140,749
Contributed surplus	4,778	4,246	6,586
Non-controlling interest	1,359	348	51
Accumulated other comprehensive loss	(2,889)	(3,151)	0
Retained earnings	25,811	5,260	5,233
	269,409	194,628	152,619
	426,430	331,386	209,052

Black Diamond Group Limited
CONSOLIDATED STATEMENTS OF NET INCOME

(Expressed in thousands, except per share amounts)

	Year ended December 31, 2011	Year ended December 31, 2010
	$	$
Revenue	241,808	139,762
Direct costs	119,485	68,277
Gross Profit	122,323	71,485
Expenses		
Administrative expenses	30,181	23,385
Depreciation of property and equipment	27,285	19,529
Amortization of intangibles	1,415	1,547
	58,881	44,461
Operating profit	63,442	27,024
Finance costs	4,805	2,662
Income before income taxes	58,637	24,362
Income tax		
Current	60	69
Deferred	13,996	6,349
	14,056	6,418
Net income	44,581	17,944
Net income attributable to non-controlling interest	3,602	503
Net income attributable to Black Diamond Group Limited	**40,979**	**17,441**
Net income per share		
Basic	1.15	0.55
Diluted	1.12	0.53

Black Diamond Group Limited
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in thousands)	Year ended	
	December 31, 2011	**December 31, 2010**
	$	$
Operating activities		
Operating profit for the period	63,442	27,024
Add (deduct) non-cash items:		
Depreciation of property and equipment	27,285	19,529
Amortization of intangible assets	1,415	1,547
Amortization of debt issuance costs	79	-
Earnings attributable to non-controlling interest	(3,602)	(503)
Unrealized foreign exchange loss	7	1
Share-based compensation expense	1,843	1,972
	90,469	49,570
Book value of used fleet sales in operating activities	14,171	5,674
Change in non-cash working capital related to operating activities	(35,748)	10,804
Net cash from operating activities	68,892	66,048
Investing activities		
Purchase of property and equipment	(94,656)	(85,706)
Increase in other non-current assets	(88)	-
Business combinations	-	(17,945)
Change in non-cash working capital related to investing activities	9,506	(11,697)
Net cash used in investing activities	(85,238)	(115,348)
Financing activities		
Proceeds from long-term debt	62,000	62,968
Repayment of long-term debt	(41,000)	(28,440)
Costs of long term debt issuance	(949)	-
Repayment of finance lease	(561)	(639)
Interest in the year	(4,765)	(2,592)
Net proceeds from issuance of shares	48,772	24,088
Dividend payments	(20,138)	(17,167)
Distribution to non-controlling interests	(1,451)	(206)
Purchase of shares in trust	(220)	(100)
Sale of shares in trust	206	-
Bank indebtedness	(6,776)	6,765
Share options exercised	1,655	3,917
Change in non-cash working capital related to financing activities	2,573	695
Net cash from financing activites	39,346	49,289
Increase/ (decrease) in cash and cash equivalents	23,000	(11)
Cash and cash equivalents, beginning of year	-	-
Effect of foreign currency rate changes on cash and cash equivalents	(10)	11
Cash and cash equivalents, end of year	**22,990**	-

Additional Information

A copy of the Company's audited consolidated financial statements for the years ended December 31, 2011 and 2010 along with the 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 3:00 p.m. MST on March 7, 2012. Trevor Haynes, President and Chief Executive Officer, and Michael Burnyeat, Executive Vice President and Chief Financial Officer, will be in attendance. The call can be accessed by calling 416-695-6622or toll free 1-800-769-8320 prior to the scheduled start time. Digital playback of the conference call will be available on the Company's website.

Appointment of New Director to Board of Directors

Black Diamond is also pleased to announce that Robert Herdman, FCA has been appointed to its Board of Directors. Mr. Herdman is a Fellow Chartered Accountant and brings over 35 years of financial experience to Black Diamond. Mr. Herdman was a partner of PricewaterhouseCoopers LLP in Calgary for 21 years and retired in 2010.

In connection with Mr. Herdman's appointment, the Committees of the Board have been reconstituted such that the Audit Committee is now comprised of Minaz Kassam (Chair), Robert Herdman and Robert Wagemakers and the Compensation, Nominating and Corporate Governance Committee is now comprised of Robert Wagemakers (Chair), Robert Brawn and Robert Herdman.

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, BOXX Modular Inc. 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 Generally Accepted accounting Principles ("GAPP"). 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 months and year ended December 31, 2011 filed on SEDAR.