



NEWS RELEASE

November 11, 2009

**BLACK DIAMOND INCOME FUND REPORTS RESULTS FOR THE THIRD QUARTER
ENDED SEPTEMBER 30, 2009**

Calgary, Alberta — (TSX: BDI.UN) Black Diamond Income Fund ("Black Diamond" or the "Fund") is pleased to announce its financial and operational results for the three months ended September 30, 2009.

Revenue generated was \$14.9 million with EBITDA of \$7.7 million for the period, compared to revenue of \$19.7 million and EBITDA of \$9.2 million for the same period in 2008. Both were lower than the prior year's comparable period, mainly attributable to a couple of large projects undertaken in the summer of 2008. Gross Profit Margin and EBITDA Margin were both stronger than the prior year, as a higher percentage of overall revenue was derived from the base rental platform of Black Diamond and a lower percentage of overall revenue was generated from lower margin ancillary sources. An increase in rental revenue of 9% over the prior period helped offset a reduction in lower margin ancillary revenue. Rental revenues were \$9.0 million as compared to \$8.2 million for the third quarter of 2008 – a 9% increase. Non rental revenues were \$5.9 million as compared to \$11.5 million in the third quarter of 2008 – a 49% decrease.

Gross profit for the quarter was \$10.8 million, down 6% from the third quarter of 2008. This represents a gross profit margin of 72%, which is higher than the 58% realized in 2008 due to the higher percentage of revenues being generated from rental activity. Earnings for the quarter were \$2.3 million, compared with \$5.1 million for the third quarter of 2008. This decline was largely due to the increase in amortization and several non-recurring SG&A items which arose in the period. The Fund increased its net debt position by \$5.0 million in the quarter, resulting in a net debt position at September 30, 2009 of \$44.0 million.

Capital spending was \$10.8 million for the quarter, most of which was spent on an operating open camp in September. The camp is located in the Conklin area south of Fort McMurray, Alberta and currently has over 500 beds on site. Approximately \$7 million of capital expenditures are expected for the fourth quarter. \$33 million of budgeted capital expenditure was approved for 2009; management is currently estimating that actual expenditures for the year will be in the range of \$29-30 million.

The Fund continues to explore opportunities to expand its fleet and operating territory. In September 2009, the Fund and the Fort Nelson First Nation formed a strategic partnership called Black Diamond Dene Limited Partnership. The limited partnership was formed to benefit from resource development as well as other commercial and industrial activity in the FNFN territory in Northeastern BC. The Horn River Basin, believed to be North America's largest natural gas play, is located within the FNFN's traditional and reserve lands.

The Workforce Accommodations division of the Fund generated \$5.1 million of revenue from rental activity which is 8% 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 the Canadian Natural Resources Horizon oilsands site in 2008. Utilization of the workforce accommodation fleet averaged a respectable 83% for the Period, which is lower than the 96% in the prior year.

The Space Rentals division has grown its fleet size by 21% from September 30, 2008. Due to the economic slowdown in all areas where Space Rentals is active, utilization of this fleet continued below historical averages. As a result, the division's rental revenues decreased by 11%. In addition, non-rental revenue streams in the period were lower than the prior year due to a large custom project which occurred in Q3 2008.

The Energy Services division generated \$3.8 million in revenues representing an increase of 150% from the prior year due to the increase in the scale of assets deployed in the division from the prior year. The drilling accommodations unit count is up 19% to 237 units while the surface rental equipment has increased to greater than 1,000 pieces from 122 a year earlier. Drilling accommodations continues to benefit from existing long term contracts resulting in utilization that exceeds industry averages. At the end of September 2009, approximately 66% of the drill camps operate under long term contract to oil and gas companies. Energy Services activity should improve over the remainder of 2009 with the typical seasonal increase in drilling and completions.

The Fund continues to distribute \$0.09 per unit per month (\$1.08 per unit annually) resulting in a payout ratio for the quarter of 43%. The payout ratio for the year to date is 35%. Management currently anticipates that the cash generated from operations will be sufficient to allow the Fund to meet ongoing requirements for working capital, interest costs, planned capital expenditures, as well as distributions to unitholders. Management forecasts the ratio will remain at approximately 40% for the fourth quarter of 2009.

Management expects that fourth quarter revenue will be moderately higher than the third quarter with gross margins and payout ratio in line with year to date averages. Although later than previously suggested, improvements in Space Rentals utilization are now being realized. Energy Services activity should improve with the typical seasonal increase in drilling and completions, while Camp utilization should gradually improve through the quarter based on recent project awards. Although general activity is improving it has been somewhat slower than anticipated. Management is predicting a gradual improvement in all areas of activity over the next several quarters.

Summary Financial Statements

The following is a summary of the Fund's consolidated balance sheets as at September 30, 2009 and December 31, 2008, the Fund's consolidated statements of net income, comprehensive income and accumulated income (loss) and consolidated statements of cash flows for the three and nine months ended September 30, 2009 and 2008. These summary statements should be read in conjunction with the Fund's consolidated financial statements including the accompanying notes for the three and nine months ended September 30, 2009 as filed on SEDAR.

Black Diamond Income Fund
CONSOLIDATED BALANCE SHEETS
(unaudited)

(Expressed in thousands of dollars)

As at	September 30, 2009 \$	December 31, 2008 \$
ASSETS		
Current		
Accounts receivable	10,788	19,877
Prepaid expenses and other current assets	1,245	1,846
	12,033	21,723
Property and equipment	141,997	129,884
Intangibles	9,994	10,737
Goodwill	29,316	29,316
	193,340	191,660
LIABILITIES AND UNITHOLDERS' EQUITY		
Current		
Bank indebtedness	2,829	4,889
Accounts payable and accrued liabilities	4,504	9,865
Distributions payable	1,066	1,065
Current portion of capital lease obligation	629	602
	9,028	16,421
Capital lease obligation	725	1,200
Long-term debt	44,000	42,000
Future income taxes	14,666	12,776
	68,419	72,397
Commitments		
Unitholders' equity		
Trust units and exchangeable partnership units	119,492	119,446
Contributed surplus	815	525
Accumulated income (loss), after accumulated distributions	4,604	(708)
	124,921	119,263
	193,340	191,660

Black Diamond Income Fund
CONSOLIDATED STATEMENTS OF NET INCOME, COMPREHENSIVE
INCOME AND ACCUMULATED INCOME (LOSS)
(unaudited)

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

	Three months ended		Nine months ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
	\$	\$	\$	\$
Revenue	14,918	19,699	58,460	51,034
Direct costs	4,168	8,277	21,029	20,634
	10,750	11,422	37,431	30,400
Expenses				
Selling, general and administrative costs	2,980	2,209	8,565	5,748
Amortization of property and equipment	3,413	2,229	9,940	5,990
Amortization of intangibles	248	248	743	743
Foreign exchange loss	65	—	65	—
Interest on long-term debt	334	177	1,028	1,085
Unit-based compensation	99	98	290	262
	7,139	4,961	20,631	13,828
Net earnings before income taxes	3,611	6,461	16,800	16,572
Future income tax expense	1,336	1,390	1,891	2,579
Net income and comprehensive income for the period	2,275	5,071	14,909	13,993
Accumulated income (loss) after accumulated distributions, beginning of period	5,535	(5,402)	(708)	(8,996)
Distributions declared	(3,196)	(3,120)	(9,587)	(8,448)
Accumulated income (loss) after accumulated distributions, end of period	4,614	(3,451)	4,614	(3,451)
Net income per unit				
Basic	0.19	0.44	1.26	1.36
Diluted	0.19	0.43	1.24	1.34

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

(Expressed in thousands of dollars)

	Three months ended		Nine months ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
	\$	\$	\$	\$
Operating activities				
Net income for the period	2,275	5,071	14,909	13,993
Add non-cash items:				
Amortization of property and equipment	3,413	2,229	9,940	5,990
Amortization of intangibles	248	248	743	743
Future income taxes	1,336	1,390	1,891	2,579
Unit-based compensation expense	99	98	290	262
	7,371	9,036	27,773	23,567
Change in non-cash working capital related to operating activities	(2,583)	(2,854)	6,325	(1,839)
	4,788	6,182	34,098	21,728
Investing activities				
Purchase of property and equipment	(10,688)	(18,017)	(22,053)	(35,803)
Change in non-cash working capital related to investing activities	(163)	5,910	(1,996)	4,399
	(10,851)	(12,107)	(24,049)	(31,404)
Financing activities				
Proceeds from long-term debt	5,000	17,000	6,000	31,700
Repayment of long-term debt	—	—	(4,000)	(30,420)
Repayment of capital lease	(153)	(143)	(449)	(330)
Net proceeds from issuance of units	—	(29)	—	26,457
Distribution payments	(3,195)	(3,120)	(9,586)	(8,249)
Bank Indebtedness	2,829	—	(2,060)	—
Unit options exercised	46	—	46	(90)
	4,527	13,708	(10,048)	19,068
Increase (decrease) in cash	(1,536)	7,783	—	9,392
Cash (Bank indebtedness), beginning of period	1,536	2,541	—	932
Cash, end of period	—	10,324	—	10,324

Additional Information

A copy of the Fund's consolidated financial statements for the three and nine months ended September 30, 2009 and management's discussion and analysis for the three and nine months ended September 30, 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 November 11, 2009. 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 Fund's website.

About Black Diamond

The Fund is an unincorporated open ended investment trust governed by the laws of the Province of Alberta. The principal undertaking of the Fund, 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.

For more information please contact:

**Black Diamond Income Fund, by its Manager;
Black Diamond Group Inc.**

Trevor Haynes
President and Chief Executive Officer
Phone: (403) 206-4737
Fax: (403) 264-9281

Michael Burnyeat
Vice President, Finance and Chief Financial Officer
Phone: (403) 206-4740
Fax: (403) 264-9281

Website: www.blackdiamondincomefund.com

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 distribution 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.blackdiamondincomefund.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 Fund's performance or cash flows, a measure of liquidity or as a measure of actual return on the trust units of the Fund. These Non-GAAP measures should only be used in conjunction with the consolidated financial statements of the Fund. A reconciliation between these measures and measures defined under GAAP is included in management's discussion and analysis for the three and nine months ended September 30, 2009 filed on SEDAR.

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