



Black Diamond Generated \$17.2 million in Adjusted EBITDA in the First Quarter of 2016

Black Diamond continues to reduce debt and maintain operating discipline

Calgary, Alberta, May 3, 2016 - Black Diamond Group Limited ("Black Diamond", the "Company" or "we"), (TSX:BDI), a leading provider of workforce accommodation and space rental solutions, today announced its operating and financial results for the three months ended March 31, 2016 (the "Quarter") compared with the three months ended March 31, 2015 (the "Comparative Quarter"). All financial figures are expressed in Canadian dollars.

"Through our ongoing focus on cost and cash management, Black Diamond continued to reduce debt and generate positive cash flow in the Quarter," said Trevor Haynes, Chairman, President and CEO of Black Diamond. "Despite significant weakness in the resource sector that we believe will continue for the near term, we are seeing opportunities stemming from infrastructure and pipeline investments. We expect this to have an impact on revenue in the latter part of 2016. We believe that the ongoing cost discipline and available liquidity provide us with financial flexibility, optionality and sustainability to continue to execute on opportunities through this period."

"Our BOXX Modular platform, which continues to see demand as industrial and general construction spending increases across North America, will be an ongoing area of focus for us as we expand this platform into California, Oklahoma and other markets. The growth of this business unit further diversifies Black Diamond by customer segment, industry and geography."

First Quarter 2016 Financial Highlights

(in thousands, except where noted)	Three months ended March 31,		
	2016	2015	Change
	\$	\$	%
Revenue			
Camps & Lodging	32,095	71,598	(55)%
BOXX Modular	13,314	15,312	(13)%
Energy Services	5,536	10,665	(48)%
International	1,473	1,529	(4)%
Corporate and Other	463	591	(22)%
Total Revenue	52,881	99,695	(47)%
Total Adjusted EBITDA	17,234	30,628	(44)%
Profit (loss)	(2,421)	9,029	(127)%
Earnings (Loss) Per share - Basic	(0.06)	0.22	(127)%
- Diluted	(0.06)	0.22	(127)%
Capital expenditures	3,328	17,938	(81)%
Dividends declared	5,138	9,861	(48)%
Per share (\$)	0.13	0.24	(46)%
Payout Ratio	30%	36%	

HIGHLIGHTS FOR THE QUARTER

- BOXX Modular contracted rental revenue commitments in place were \$17.3 million as at March 31, 2016, up 33% or \$4.3 million from \$13.0 million as at March 31, 2015. The weighted average remaining contract rental term outstanding also increased year over year by five months to approximately twelve months. This improvement included additional contracts in western Canada.
- BOXX Modular expanded its operations to California and Oklahoma and now serves the southern United States from Florida to California.
- Sunday Creek's contracted commitments were substantially met during the Quarter. The lodge remains open and continues to serve various operators in the area.
- The International business unit in Australia was awarded a five year contract extension worth \$6.2 million with one of Australia's largest iron ore producers.
- Long-term debt as at March 31, 2016 was \$157.7 million, down 20% or \$39.8 million from \$197.5 million as at March 31, 2015 and down 1% compared with \$159.2 million as at December 31, 2015 due to ongoing debt repayments.
- As at March 31, 2016, the Company had total available liquidity of approximately \$106 million including \$99 million available under its committed credit facility and \$7 million cash on hand.
- The balance sheet remains strong with Net Debt to Adjusted EBITDA (see "Non-GAAP Measures") of 2.00 as at March 31, 2016 compared with 1.73 at December 31, 2015. The Net Debt to Adjusted EBITDA ratio increased relative to December 2015 due to the impact of weak commodity pricing on Adjusted EBITDA, partially offset by ongoing repayments on long-term debt.
- Consolidated Days Sales Outstanding (see "Non-GAAP Measures") continued to improve, declining by 16% to 70 days at the end of the Quarter compared with 83 days for the Comparative Quarter.

2016 Capital Plan

The 2016 capital spending plan is \$10.0 million, \$3.3 million of which was spent as of March 31, 2016. Capital spending to date has primarily been for growth capital related to expanding the BOXX Modular fleet in the United States and eastern Canada. Given the current economic environment, stringent controls have been placed on capital spending. Consistent with Black Diamond's long-term strategy, the utilization of existing assets within our fleet continues to be aggressively promoted. As at March 31, 2016, Black Diamond had \$2.6 million in outstanding capital commitments for fleet additions.

Financial Review

- Revenue for the Quarter was \$52.9 million, down 47% or \$46.8 million from the Comparative Quarter primarily due to the impact of low commodity prices on utilization and pricing in Camps & Lodging, Energy Services, International and to a lesser extent BOXX Modular.
- Administrative expenses for the Quarter were \$10.8 million, down 25% or \$3.5 million primarily due to a decrease in personnel costs.

- Adjusted EBITDA for the Quarter was \$17.2 million, down 44% or \$13.4 million from the Comparative Quarter due to the impact of low commodity prices on business activity in western Canada and Australia.
- Net loss for the Quarter was \$2.4 million, compared with net income of \$9.0 million in the Comparative Quarter. The loss in the Quarter was due to lower operating income described in the sections above and the write-down in the investment and note receivable from Northern Frontier Corp.
- Consolidated contracted future revenue at the end of the Quarter was \$64.2 million, down 45% or \$52.0 million from \$116.2 million in the Comparative Quarter due to lower market activity resulting from lower commodity prices. For comparison, the contracted future revenue was \$81.8 million at December 31, 2015. As commitments expire on existing camps, these camps may continue to operate in an open camp format which is not included in contracted future revenue.

Dividend and Payout Ratio

The Payout Ratio (see "Non-GAAP Measures") for the Quarter decreased to 30% compared with 36% in the Comparative Quarter due to a decrease in dividends declared partially offset by lower funds available for dividends (see "Non-GAAP Measures"). To maintain financial flexibility and adjust our Payout Ratio to a sustainable level, Black Diamond has reduced its monthly dividend to 2.5 cents per share from 5 cents per share, for an annualized reduction in outgoing cash flow of approximately \$12.3 million. This change took effect for the dividend paid on April 15, 2016 to shareholders of record on March 31, 2016. This will allow us to continue to maintain balance sheet strength which positions us for market opportunities as they arise.

Business Reorganization

Effective January 1, 2016, Black Diamond re-organized its North American business units to streamline its operations and gain efficiencies. On April 19, 2016, Black Diamond press released its resegmented 2015 financial and operational results to reflect the new organizational structure. More information about Black Diamond's organizational structure can be found in the "Who We Are" section of this Quarter's MD&A.

Additional Information

A copy of the Company's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2016 and 2015 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) and www.blackdiamondgroup.com.

Conference Call

Black Diamond will hold a conference call and webcast today at 11:00 a.m. MT (1:00 p.m. ET).

Chairman, President and CEO Trevor Haynes and Executive Vice President and CFO Toby LaBrie will discuss Black Diamond's financial results for the Quarter and then take questions from investors and analysts.

To access the conference call by telephone dial toll free 1-866-696-5910. Callers from the Toronto area should use (416) 340-2217 (Conference ID: 5093547). Please connect approximately 10 minutes prior to the beginning of the call.

Please log into the webcast 10 minutes before the start time at: <http://www.gowebcasting.com/7133>.

Slides to accompany the conference call can be accessed through <https://join.me/BDI-Investors>.

Following the conference call, an audio archive will be available in the Investor Events section of the Company's website at www.blackdiamondgroup.com.

Reader Advisory

Forward-Looking Statements

Certain information in this news release contains forward-looking statements including the amount of funds that will be expended on the 2016 capital plan, management's assessment of Black Diamond's future operations, business prospects and opportunities and management's future expectations regarding the financial performance of the Company and its business units. With respect to the forward-looking statements contained in this news release, Black Diamond has made assumptions, regarding among other things: future commodity prices, that Black Diamond will continue to conduct its operations in a manner consistent with past operations, that counterparties to contracts will perform the contracts as written and that there will be no unforeseen material delays in contracted projects. Although Black Diamond believes that the expectations reflected in the forward-looking statements contained in this news release, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations or assumptions will prove to be correct. 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 and 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 Black Diamond's annual information form and other 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.blackdiamondgroup.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.

Non-GAAP Measures

In this news release, the following terms have been referenced: Adjusted EBITDA, Net Debt, Days Sales Outstanding and Payout Ratio. Readers are cautioned that these measures are not defined under International Financial Reporting Standards ("IFRS"). Readers are cautioned that these non-GAAP measures are not alternatives to measures under IFRS 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 IFRS is included in management's discussion and analysis for the three months ended March 31, 2016 filed on SEDAR.

About Black Diamond

Black Diamond rents and sells modular workforce accommodation and space rental solutions to customers in Canada, the United States and Australia. In addition to providing turnkey lodging and other support services related to remote workforce accommodation and space rentals, we also provide specialized field rentals to the oil and gas industries of Canada and the United States. From twenty-two locations, we serve multiple sectors including oil and gas, mining, power, construction, engineering, military, government and education.

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