



**NEWS RELEASE**

**BLACK DIAMOND ANNOUNCES CONTRACT CANCELLATION FOR REMOTE LODGE PROJECT**

Calgary, Alberta – (**March 21, 2012**) - Black Diamond Group Limited ("Black Diamond" or the "Company") (TSX:BDI), a leading provider of remote workforce accommodations, modular space solutions and oilfield services products in North America, announced today it has cancelled a contract for a previously announced 264-person remote accommodation facility north of Fort Nelson, British Columbia under its Black Diamond Dene Limited Partnership. In accordance with the contract terms, a \$2.8 million cancellation penalty has been paid to Black Diamond. The cancellation was due to reasons specific to the project and Black Diamond has subsequently allocated all of the effected assets to current and pending projects in the Company's Camps division. The cancellation penalty was recognized as revenue in Q4 2011.

**About Black Diamond**

Founded in 2003, Black Diamond Group Limited is one of North America's fastest growing remote lodging, modular building and energy services companies. With its corporate head office located in Calgary, Black Diamond Group provides world-class services to a full spectrum of industries including oil and gas, mining, power, construction, engineering, military, government and education.

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 four complementary divisions in thirteen strategic locations across Canada and the USA.

Black Diamond Camps rents and sells remote workforce housing and provides associated services; Black Diamond Logistics provides turnkey lodging services, remote facility management and supply chain solutions; BOXX Modular specializes in renting and selling a broad range of modular work space solutions and Black Diamond Energy Services rents and sells a complement of oilfield equipment and services.

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