



NEWS RELEASE

November 5, 2008

BLACK DIAMOND INCOME FUND APPROVES 2009 CAPITAL SPENDING

Calgary, Alberta — (TSX: BDI.UN) Black Diamond Income Fund ("Black Diamond" or the "Fund") is pleased to announce the approval of a 2009 capital expenditure budget of \$33 million.

In light of current economic conditions, the Fund's capital expenditure plans have been limited to an amount roughly equal to retained cash after distributions and debt service. Of the budgeted expenditures, approximately a third is already dedicated with customer commitments in place. An additional third is based on strong customer indications. The remaining amount will be dedicated in a non-speculative manner with preference being given to projects having long term customer commitments prior to expenditure. Allocation of this organic growth capital is forecast as follows: 50% towards workforce accommodation fleet units, 35% towards space rentals fleet units and 15% towards surface rental and drilling accommodation assets.

Management is confident that there is sufficient demand from current and prospective customers to ensure adequate market absorption of this additional equipment. Furthermore, the Fund continues to assess potential opportunities for acquiring existing assets from third parties.

Based on current visibility from contracted revenues and the corresponding cash flow being generated, management anticipates that the current monthly distribution to unitholders will be maintained in 2009. Correspondingly, the payout ratio is expected to remain at or modestly below current levels.

The Fund is not planning any change to its Trust structure, such as conversion to a corporation, during 2009. Consideration for conversion will be given at a time closer to the expiry of the SIFT tax holiday.

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, 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 Services.

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. 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.

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