

**BLACK DIAMOND POSTS RECORD Q2 RESULTS AND INCREASES DIVIDEND**

**Calgary, Alberta (August 12, 2014)** - Black Diamond Group Limited ("Black Diamond" or the "Company"), (TSX:BDI), today announced operating and financial results for the three and six month periods ended June 30, 2014.

"We are very pleased to have posted our best Q2 results to date." said Trevor Haynes, Black Diamond's President and Chief Executive Officer. "We continue to be encouraged with the project pipeline from our customers. Our asset-based rental platform is stable, our capital allocation program is disciplined and we are poised for further growth".

**HIGHLIGHTS:**

- Revenue for the three months ended June 30, 2014 (the "Quarter") increased by 24% to \$88.4 million compared to the three months ended June 30, 2013 (the "Comparative Quarter"), with significant increases in non-rental and lodging revenue, and continued growth of the core rental platform.
- Revenue for the six months ended June 30, 2014 (the "YTD") increased by 31% to \$213.0 million compared to the six months ended June 30, 2013 (the "Comparative YTD"), with significant increases in non-rental revenue primarily due to fleet sales as well as continued growth in the Logistics business unit driving up the lodging revenue, and continued growth of the core rental platform.
- EBITDA for the Quarter was \$34.9 million compared with \$29.2 million for the Comparative Quarter, a 20% increase. EBITDA for the YTD was \$77.3 million compared with \$69.7 million for the Comparative YTD, an 11% increase.
- Profit increased from \$8.9 million in the Comparative Quarter to \$9.6 million in the Quarter and decreased slightly from \$27.8 million in the Comparative YTD to \$27.5 million in the YTD, despite higher revenue and utilization in the Structures and Logistics divisions, due to a one time charge of \$5.2 million in the Quarter and the YTD to provide for a guarantee of an Australian investee's debt.
- The Company entered into a contract to provide a 1,244 person camp in the Montney Shale region of northeastern British Columbia. The Company also secured the land title under an existing camp in the Horn River area and received contracts for minimum man day commitments from three anchor tenants.
- The Company incurred \$19.4 million of capital expenditures in the Quarter and \$38.6 million in the YTD. An additional \$70.6 million of the 2014 capital budget was committed as at June 30, 2014. Future capital will be expended in a generally non-speculative manner consistent with prior years.
- Earnings per share was \$0.23 in the Quarter and \$0.65 in the YTD compared to \$0.21 for the Comparative Quarter and \$0.67 in the Comparative YTD, respectively.
- The Company's Executive Vice President and Chief Financial Officer, Mike Lambert, joined the executive team on August 8th. Mr. Lambert brings in excess of 30 years of senior executive experience in successful public companies. Marshall McRae, previously the interim Chief Financial Officer, will stay on with the Company as an Executive Vice President until the end of the year to ensure a smooth transition.
- Effective for the month of August, the Company's Board of Directors have approved a 6.7% increase in the monthly dividend from \$0.075 per share to \$0.08 per share (\$0.96 per share on an annual basis). This increased dividend will be payable on September 15, 2014 to shareholders of record on August 29, 2014.

### **Additional Information**

A copy of the Company's Unaudited Condensed Consolidated Interim Financial Statements for the three and six month periods ended June 30, 2014 and 2013 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](http://www.sedar.com)).

### **Conference Call**

Black Diamond will host a conference call for analysts, investors and interested parties to discuss its first quarter financial and operational results at 8:15 a.m. MST on August 13, 2014. Trevor Haynes, President and Chief Executive Officer, and Michael Lambert, Executive Vice President and Chief Financial Officer, will be in attendance. The call can be accessed by calling 416-340-2217 or toll free 1-866-696-5910 (Participant pass code 5716383) prior to the scheduled start time. A live audio webcast of the meeting will also be available through the investor relations page of company's website at [www.blackdiamondgroup.com](http://www.blackdiamondgroup.com). Digital playback of the conference call will be available on the Company's website.

### **About Black Diamond**

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

Through its direct and indirect wholly-owned subsidiaries and its approximate 50% equity participation in certain aboriginal limited partnerships, Black Diamond operates four complementary business units in nineteen strategic locations across Canada, the United States and Australia.

Black Diamond Structures rents and sells remote workforce housing and modular workspace solutions and provides associated services; Black Diamond Logistics provides turnkey lodging services, remote facility management and supply chain solutions; Black Diamond Energy Services rents and sells a complement of oilfield equipment and services and Black Diamond International rents and sells remote workforce housing and modular workspace solutions and provides associated services outside of North America.

### **For more information please contact:**

#### **Black Diamond Group Limited**

##### **Media Contact**

Tara Sukut  
Communications Manager  
Phone: (403) 718-5061  
Email: [tsukut@blackdiamondgroup.com](mailto:tsukut@blackdiamondgroup.com)

##### **Investor Relations Contact**

Jason Zhang  
Senior Financial Analyst  
Phone: (403) 718-0948  
Email: [jzhang@blackdiamondgroup.com](mailto:jzhang@blackdiamondgroup.com)

Website: [www.blackdiamondgroup.com](http://www.blackdiamondgroup.com)

## Reader Advisory

### **Forward-Looking Statements**

Certain information in this news release contains forward-looking statements including future dividend levels, 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: 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](http://www.sedar.com)) and at Black Diamond's website ([www.blackdiamondgroup.com](http://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: EBITDA (earnings before interest, taxation, depreciation and amortization) and payout ratio. Readers are cautioned that these measures are not defined under 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 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 and six month periods ended June 30, 2014 and 2013 filed on SEDAR.

**SELECTED FINANCIAL HIGHLIGHTS:**

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
(in thousands, except as noted)	\$	\$	\$	\$
<b>Total revenue</b>	88,393	71,071	212,969	162,051
<b><u>Structures business unit:</u></b>				
<b>Total revenue</b>	50,847	43,489	118,835	89,552
<b><u>Logistics business unit:</u></b>				
<b>Lodging revenue</b>	28,034	17,737	68,456	45,965
<b><u>Energy Services business unit:</u></b>				
<b>Total revenue</b>	6,792	5,242	18,543	15,923
<b><u>International business unit:</u></b>				
<b>Total revenue</b>	2,720	4,603	7,135	10,611
<b>EBITDA</b>	34,900	29,209	77,283	69,735
<b>Profit for the period</b>	9,561	8,946	27,464	27,754
<b>Per share - Basic</b>	0.23	0.21	0.65	0.67
<b>- Diluted</b>	0.22	0.21	0.63	0.66
<b>Capital expenditures</b>	19,404	19,524	38,578	41,450
<b>Dividends declared</b>	9,616	8,786	19,147	16,662
<b>Per share (\$)</b>	0.23	0.21	0.45	0.40
<b>Payout ratio</b>	26%	32%	26%	26%