

Black Diamond Reduces Long-Term Debt, Capital Spending and Administrative Expenses to Exit 2015 with a Strong Balance Sheet - 2016 Capital Plan Reduced by 60% to \$10 million

Chief Financial Officer Mike Lambert to Retire for Health Reasons at the End of April. In Planned Transition, Toby LaBrie to Become His Successor

Calgary, Alberta, March 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 (the "Quarter") and twelve months ("2015" or the "Year") ended December 31, 2015. Black Diamond also announced the planned transition of the Chief Financial Officer role. All financial figures are expressed in Canadian dollars.

"By strengthening our balance sheet we have positioned Black Diamond for sustainability and to capture additional market share from competitors," said Trevor Haynes, Chairman, President and CEO of Black Diamond. "Year-over-year we've reduced our debt by \$37.2 million, and in the Quarter we reduced administrative expenses by 23% from the fourth quarter of 2014. Given the minimal maintenance capital required for our assets, we were also able to reduce capital expenditures in the Quarter by 97% from the fourth quarter of 2014. We ended 2015 with Net Debt to Adjusted EBITDA of 1.73, a decrease from 1.82 in the third quarter of 2015."

"Black Diamond continues to generate positive cash flow from a diverse fleet of assets serving multiple industries and geographies. While asset rental and ancillary revenues across all of our business lines in western Canada and Australia continue to be negatively impacted by low commodity pricing, Black Diamond's space rental platform continues to see steady demand in the United States and eastern Canada. Forward visibility on new contracts and contract renewals remains limited in western Canada and Australia. However, our sales and operations teams continue to pursue new business aggressively, and we are continuing to do what we must to ensure Black Diamond is in the strongest position possible to execute on opportunities as they emerge."

Fourth Quarter 2015 Financial Highlights:

(in thousands, except where noted)	Three months ended December 31			Twelve months ended December 31		
	2015 \$	2014 \$	Change %	2015 \$	2014 \$	Change %
Revenue						
Structures	31,000	52,806	(41)%	169,732	220,745	(23)%
Logistics	16,339	26,801	(39)%	87,189	119,191	(27)%
Energy Services	3,242	7,212	(55)%	17,962	32,444	(45)%
International	1,406	1,995	(30)%	7,303	14,187	(49)%
Total Revenue	51,987	88,814	(41)%	282,186	386,567	(27)%
Total Adjusted EBITDA	15,893	28,094	(43)%	89,005	139,619	(36)%
Profit (loss)	(7,752)	(3,616)	(114)%	8,400	35,038	(76)%
Earnings (Loss) Per share - Basic	(0.19)	(0.09)	(111)%	0.20	0.82	(75)%
- Diluted	(0.19)	(0.09)	(111)%	0.20	0.81	(75)%
Capital expenditures	1,456	46,283	(97)%	49,557	119,778	(59)%
Dividends declared	7,398	10,025	(26)%	36,986	39,251	(6)%
Per share (\$)	0.18	0.24	(24)%	0.90	0.93	(3)%
Payout Ratio	43%	42%		43%	31%	

HIGHLIGHTS FOR THE QUARTER

- Long-term debt as at December 31, 2015 was \$159.2 million, down 19% or \$37.2 million from \$196.4 million as at December 31, 2014 due to significant receivable collection activity coupled with a lower dividend and limited capex in the second half of the year. Net Debt as at December 31, 2015 was \$153.7 million, down 12.9% or \$22.8 million from \$176.5 million as at December 31, 2014.
- The balance sheet has strengthened since the third quarter of 2015 with Net Debt to Adjusted EBITDA improving to 1.73 as at December 31, 2015 compared with 1.82 as at September 30, 2015. The decrease compared with the third quarter of 2015 was the result of aggressive debt repayments, partially offset by lower Adjusted EBITDA. Net Debt to Adjusted EBITDA increased year over year due to the impact of weak commodity pricing on Adjusted EBITDA and growth capital expenditures made in early 2015 including for the Dawson Creek 1,244 bed camp (Net Debt to EBITDA as at December 31, 2014: 1.26).
- Days sales outstanding ("DSO") declined by 22% to 70 days at the end of the Quarter compared with 90 days the year before and 98 days for the third quarter of 2015. The reduction in days is a result of collaborative collection efforts with our largest customers.
- Capital expenditures for the Quarter were \$1.5 million compared with \$46.3 million for the fourth quarter of 2014. 2015 capital expenditures were \$49.6 million compared with \$119.8 million in 2014. The capital for the Dawson Creek camp was spent in late 2014 and early 2015.

2016 Capital Plan

The 2016 capital spending plan has been reduced to \$10.0 million from \$25.0 million, the majority of which will be focused on growth capital. Given the current economic environment, stringent controls have been placed on capital spending, and strategies are in place to promote the utilization of Black Diamond's existing fleet of assets. As at December 31, 2015, Black Diamond had \$2.7 million in outstanding capital commitments, and capital spending in the first quarter of 2016 is not expected to exceed this amount.

Financial Review

- Revenue for the Quarter was \$52.0 million, down 41% or \$36.8 million from the year before primarily due to the impact of low commodity prices on all operating business units, primarily in western Canadian and Australian geographies.
- Administrative expenses for the Quarter were \$11.1 million, down 23% or \$3.3 million from the year before due to reductions in personnel and ongoing cost management. Effective February 1, 2016, Black Diamond implemented a graduated salary rollback averaging approximately 10%.
- Adjusted EBITDA for the Quarter was \$15.9 million, down 43% or \$12.2 million from the year before due to a decrease in revenue, partially offset by lower administrative expenses.
- \$5.3 million in non-cash charges were recognized in the Quarter including a \$1.4 million impairment of goodwill in Energy Services, a \$1.2 million write down in peripheral surface rental assets in Energy Services, and a write down related to the notes and shares of Northern Frontier Corp. in the amount of \$2.7 million.
- A net loss of \$7.8 million was recorded for the Quarter compared with a net loss of \$3.6 million the year before primarily due to a \$36.8 million decrease in revenue partially offset by a \$3.3 million decrease in administrative expenses and a \$2.9 million decrease in non-cash charges recognized in the Quarter compared with the year before.
- Consolidated contracted future revenue decreased 37% to \$81.8 million at December 31, 2015 compared with \$130.3 million at December 31, 2014 due to fewer long-term contracts being signed in the current environment. Of this, \$56.4 million in contracted future revenue is expected to be recognized in 2016. Recent renewals on existing camps have been on a short term or month-to-month basis due to the lack of visibility that energy customers have on commodity pricing. Contracted future revenue does not include these month-to-month arrangements for lodging services or asset rentals, and does not include contracted non-rental revenue.

Total Year and Fourth Quarter Dividend and Payout Ratio

The Payout Ratio for the Quarter increased to 43% compared with 42% in the fourth quarter of 2014 as a result of lower distributable cash flow partially offset by a decrease in the monthly dividend to 5 cents per share compared with 8 cents per share prior to December 2015. The payout ratio for 2015 increased to 43% compared with 31% in 2014 as a result of lower distributable cash flow, partially offset by lower total distributions.

CFO Planned Transition

Black Diamond's Executive Vice President and Chief Financial Officer, Mike Lambert, will be retiring for health reasons as of April 30, 2016. As part of the planned transition, Toby LaBrie will be appointed to the role of Executive Vice President and Chief Financial Officer effective immediately. Toby has served with the company in various senior Finance and Accounting capacities for more than seven years, most recently as our Senior Vice President, Finance, and so offers extensive experience and knowledge to assume this responsibility.

"I'd like to extend my thanks to Mike for his contributions to Black Diamond," said Trevor Haynes, Chairman, President and CEO of Black Diamond. "We wish him all the best in his retirement. I'd also like to congratulate Toby on his appointment to the role of Chief Financial Officer which is something he has been working towards for some time as part of our transition plan."

Toby LaBrie joined Black Diamond Group as the Corporate Controller in 2009 and served as Vice President of Finance and Controller between 2010 and 2015.

Prior to joining Black Diamond Group, Toby was Team Lead of Management Reporting and Budgeting at First Calgary Petroleum, a Calgary-based international oil and gas exploration company. Before that, he held positions in both the audit and financial advisory group at Deloitte.

Toby has been a member of the Institute of Chartered Accountants of Alberta since 2005, and holds a Bachelor of Commerce degree from the University of Alberta.

Business Reorganization

As of January 2016, Black Diamond has re-organized its North American business units to streamline its operations and gain efficiencies. More information about Black Diamond's organizational structure can be found in the "Who We Are" section of this Quarter's Management's Discussion and Analysis. Please note that this Quarter continues to reflect the previous organizational structure which was in effect until the end of 2015. In conjunction with reporting first quarter results for 2016, Black Diamond will provide its historical results re-segmented for the new business structure.

Additional Information

A copy of the Company's audited consolidated financial statements for the years ended December 31, 2015 and 2014 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 to discuss its results for the quarter at 11:00 a.m. Mountain Time (1:00 p.m. Eastern Time) today, Thursday, March 3, 2016.

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/7132>.

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, DSO 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 and twelve month periods ended December 31, 2015 filed on SEDAR.

About Black Diamond

Black Diamond rents and sells portable workforce accommodation and space rental solutions to business 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 locations, we serve multiple sectors including oil and gas, mining, power, construction, engineering, military, government and education.

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