



NEWS RELEASE

December 21, 2012

BLACK DIAMOND GROUP MAKES AUSTRALIAN ACQUISITION

Calgary, Alberta (December 21, 2012) - Black Diamond Group Limited (TSX: BDI) ("**Black Diamond**" or the "**Company**") is pleased to announce that an indirect, wholly-owned subsidiary of Black Diamond has entered into a definitive share purchase agreement to acquire 90 percent of the modular rental business of Australian Portable Buildings Pty. Ltd. ("**APB**") along with 20 percent of APB's portable building manufacturing business (the "**Acquisition**"). The remaining 10 percent of the modular rental business and 80 percent of the modular building manufacturing business will be owned by a Canadian modular building manufacturer that is a current supplier to Black Diamond.

APB operates a rental fleet consisting of 913 modular accommodation and workspace units of various configurations. APB also operates approximately 25,200 square metres of manufacturing facilities, on sites totalling 120,000 square metres, in Perth, Sydney, Brisbane and Townsville in which it constructs modular accommodation and workforce units for its own fleet and for third party customer sales.

Acquisition Terms

Black Diamond will pay cash of AUD\$41.14 million for its interest in APB (CAD\$42.59 million, based upon the December 20, 2012 noon buying rate of the Bank of Canada of AUD\$0.9659 for CAD\$1.00). At closing, Black Diamond will not assume any debt and APB will have sufficient working capital to support its continuing operations. In addition, it is expected that all key management of APB will be retained and Black Diamond will deploy its Executive Vice President, International, Harry Klukas, to lead the integration of the Australian operations.

The Acquisition is scheduled to close on or about January 18, 2013, with an effective date of purchase of January 1, 2013.

Black Diamond will finance the Acquisition with a combination of cash and debt available under its existing credit facilities.

Strategic Rationale and Fit

The Acquisition provides Black Diamond with:

- Immediate cash flow and earnings accretion;
- A platform of assets currently utilized at approximately 80 percent that is similar to the asset platform Black Diamond operates in Canada;
- Ownership of assets and operations with positive cash flow;
- Product and geographic diversification in a low-risk, stable environment;
- An additional growth platform that is expected to generate returns greater than Black Diamond's cost of capital; and
- An experienced local management group.

APB's Customers

APB's diverse customer base includes natural resource companies, building and construction companies, commercial and general industrial companies and government. APB's customers are primarily located in the States of Queensland, New South Wales and Western Australia. APB's larger customers operate primarily in the mining and natural resource development areas.

Historically, APB's revenue has been derived approximately 66% from mining and natural resources, 9% from the public sector, 18% from commercial and industrial clients and 7% from other general clients. Revenue by region has not varied as much as it has by customer with approximately 33% generated from Queensland, 22% from New South Wales and 45% from Western Australia.

APB's Financial Information

Effective January 1, 2013, the Black Diamond financial statements will consolidate the results of its 90 percent interest in APB's modular rental assets. Black Diamond intends to account for its minority interest in APB's manufacturing business using the equity method of accounting. The valuation anticipated to be ascribed to this minority interest is AUD\$6.9 million.

Rental revenue and revenue from operations associated with rentals were approximately AUD\$12.6 million for the year ended June 30, 2012. There has been approximately AUD\$3.6 million of new rental equipment acquired and deployed since June 30, 2012. The anticipated split of rental versus non-rental revenue is 60% / 40%. Black Diamond anticipates generation of EBITDA margins from the rental business to be similar to the margins generated from its North American rental business.

Conference Call

Black Diamond will host a conference call for analysts, investors and interested parties to discuss the Acquisition at 10:00 a.m. MST on December 21, 2012. Trevor Haynes, President and Chief Executive Officer, and Michael Burnyeat, Executive Vice President and Chief Financial Officer, will be in attendance for the call. The call can be accessed by calling **416-340-2217** or toll free **1-866-696-5910** prior to the scheduled start time. The participant pass code for the call is **7834657**.

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 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 percent equity participation in the Black Diamond Dene Limited Partnership, Black Diamond West Moberly Limited Partnership and Black Diamond Nehiyawak 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.

For more information please contact:

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Reader Advisory

Forward-Looking Statements

In the interest of providing Black Diamond's shareholders and potential investors with information regarding Black Diamond, including management's assessment of the future plans and operations of Black Diamond, certain statements contained in this news release constitute forward-looking statements or information (collectively "forward-looking statements") within the meaning of applicable securities legislation. Forward-looking statements are typically identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "project", "could", "plan", "intend", "should", "believe", "outlook", "potential", "target" and similar words suggesting future events or future performance. In particular, this news release contains, without limitation, forward-looking statements pertaining to the following: expectations of Black Diamond regarding the proposed Acquisition, including the timing of completion of the Acquisition, operating and financial metrics of the Acquisition, potential synergies resulting from the Acquisition, and the effect of the Acquisition on Black Diamond's operations and financial results.

With respect to forward-looking statements contained in this news release, Black Diamond has made assumptions regarding, among other things: that the Acquisition will close when planned and on the terms and conditions set forth herein; and the ability of Black Diamond to execute and realize on the anticipated benefits of the Acquisition. 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 will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this news release, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause Black Diamond's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, the following: that the Acquisition may not close when planned or at all or on the terms and conditions set forth herein; incorrect assessment of the value of the Acquisition; failure to realize the anticipated benefits and synergies of the Acquisition; 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; and the other factors described under "Risk Factors" in Black Diamond's most recently filed annual information form and other reports on file with Canadian securities regulatory authorities which may be accessed through the SEDAR website (www.sedar.com) and at Black Diamond's website (www.blackdiamondlimited.com). Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking statements contained in this news release speak only as of the date of this news release. Except as expressly required by applicable securities laws, Black Diamond does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Non-GAAP Measure

In this news release, the following term has been referenced: EBITDA (earnings before interest, taxation, depreciation and amortization). Readers are cautioned that this measure is not defined under Generally Accepted accounting Principles ("GAAP"). Readers are cautioned that this non-GAAP measure is not an alternative to measures under GAAP and should not, on its own, be construed as an indicator of APB's performance or cash flows, a measure of liquidity or as a measure of actual return on the Acquisition.