



NEWS RELEASE

November 9, 2011

**BLACK DIAMOND GROUP LIMITED REPORTS RECORD RESULTS FOR THE THIRD
QUARTER ENDED SEPTEMBER 30, 2011**

Calgary, Alberta — (TSX: BDI) Black Diamond Group Limited ("Black Diamond" or the "Company") is pleased to announce its financial and operational results for the three and nine months ended September 30, 2011.

Third Quarter

Black Diamond's focus on strategic growth and diversification has resulted in it realizing record revenue in the third quarter of 2011 of \$63.1 million with EBITDA of \$25.2 million for the period, compared to revenue of \$34.2 million and EBITDA of \$12.4 million for the same period in 2010. Revenue was higher than the prior year's comparable period due to an increase in the rental base of the Company, continued increases in lodging revenue generated from the Sunday Creek Lodge and Horn River operated camps and considerable levels of non-rental revenue generated in the Workforce Accommodations and Space Rentals divisions. Rental revenues were \$20.4 million as compared to \$10.9 million for the third quarter of 2010, an 87% increase. Lodging revenue was \$13.9 million in the quarter compared to \$10.2 million for the same period in 2010. New manufactured and used fleet sales in addition to the operational revenues in support of rental and lodging revenues was \$28.8 million as compared to \$13.1 million in the third quarter of 2010. Some highlights from each of the operating divisions for the quarter are as follows:

Workforce Accommodations: The division ended the quarter with 1,698 units in the rental fleet which averaged 91% utilization for the quarter. The division generated \$35.8 million in revenues compared to \$20.7 million in the same quarter of 2010. Large increases in revenues came from rentals which increased by 150% over Q3 2010 to \$10.9 million and lodging revenues which increased by 37% to \$13.9 million. The quarter benefitted from the deployment activity of some previously announced projects in the Horn River and north central regions of BC.

Space Rentals: The division generated \$18.1 million in revenue during the quarter as compared to \$9.8 million for the same quarter in 2010. The Canadian based fleet generated \$12.2 million of revenue or 181% more than the prior year Q3 due to the increased fleet size and higher utilization rates, augmented by a 449% increase in non-rental activity due to custom sales and used fleet sales activity. The US based fleet generated \$5.9 million of revenue comparable with the prior year Q3, due to the continued installation and transportation of several major projects during the period. The combined fleet size at the end of the quarter was 2,663 units and operated at an average of 76% utilization for the quarter as compared to 73% for the prior year.

Energy Services: The division generated \$9.2 million of revenue during the quarter as compared to \$3.7 million in Q3 of 2010. This 148% increase was partly due to a 25% larger fleet and partly due to higher utilization and rental rates for the surface rental equipment in the quarter. The higher rates and utilization is in concert with higher drilling and completions activity in western Canada. At the end of September 2011, the division had 210 drilling accommodation units and 1,645 pieces of surface rental equipment.

Balance Sheet

The Company ended the period with debt of \$86 million, comprised of \$25 million drawn on its' capital facility and senior secured notes, net of amortized set up costs, of \$61 million.

On August 25, 2011 the Company completed a split of all of the issued and outstanding common shares on a basis of two common shares for every one existing common share held.

Dividends

The Company paid dividends of \$0.0475 per share per month throughout the third quarter 2011 resulting in a payout ratio for the period of 21%, compared to 43% for the same period in 2010. The Board of Directors of Black Diamond is confident that the cash generated from operations will be sufficient to allow it to meet ongoing requirements for the foreseeable future for working capital, maintenance costs, administrative expenses, finance costs as well as dividends to shareholders.

Outlook

Black Diamond has grown its business over the past several quarters through a disciplined organic capital spend which has resulted in strong rental revenue growth both for the year over year quarterly and nine month periods. It has also lead to increased non-rental revenues which have a direct correlation to the size of the underlying rental fleets and scale of the operating platform. The Company is experiencing the benefits of a strong resources economy in western Canada and the improving returns of increasing economies of scale as measured by Administrative Expenses as a percentage of revenue.

The Company anticipates it will continue to experience strong demand for the products and services of all three operating divisions over the foreseeable future. This is due to the volume of large resource development projects commencing throughout western and northern Canada. Contracts already secured but not yet deployed will account for the majority of the Company's outstanding capital commitments of \$23 million. This capital will be expended in Q4 of 2011 and Q1 of 2012. The Company has announced an incremental \$70 million capital expenditure program for 2012 to meet the anticipated continued high demand for Workforce Accommodation facilities, workspace complexes, and drilling and completions support equipment. These expenditures are expected to result in growing rental and non-rental revenues over the next five quarters and beyond.

Black Diamond will close 2011 with approximately 10,000 rooms in its Workforce Accommodations and Energy Services divisions with incremental growth in 2012 estimated at 2,000-3,000 beds or more. This gives the Company a very meaningful market share and platform from which to benefit from the large workforce growth forecasted for the oil sands and shale gas and oil basins over the next 5-10 years.

The space rentals business continues to be robust in Canada with deployment of significant additional square footage on both a rental and sale basis currently underway. It is expected that this demand will continue into 2012 as the need for modular office complexes and associated workspace from remote resource projects continues to grow. Support buildings for large infrastructure projects throughout Canada will augment the remote application. Business in the U.S. for space rentals is expected to continue to be weak for the next one or two quarters however the Company's U.S. bid log continues to grow indicating that activity is expected to begin to trend upwards at some point in 2012.

Drilling and completions activity in the unconventional shale oil and gas plays continues to accelerate. This has lead to a significant improvement in utilization of surface rental assets and rental rates. The Company's Energy Services division has been successful in securing long term contracts for some of these assets from large integrated energy companies. This has lead to increased visibility for capital return resulting in more of the Company's capital program being committed to growing the surface rentals fleet. Based on the very strong demand for these products and services and the increasing fleet size this business segment is expected to continue to see increased revenue and returns over the next several quarters.

In summary, all three business segments are experiencing strong demand, improving utilization and rental rates. The scale of the Company's operating platform is offering more opportunities for non-rental revenues as well as new rental asset additions. As a result, profitability, and free-cash flow are increasing on both a gross and percentage basis. Management expects that these trends will continue into subsequent quarters. The dividend payout ratio and debt as a percentage of EBITDA continue to decline as has the Company's cost of capital. It is anticipated that the strong strategic positioning of the Company, continued significant capital expenditure, and disciplined execution will result in the generation of strong results for the balance of 2011 and for 2012.

Summary Financial Statements

The following is a summary of the Company's consolidated statements of financial position as at September 30, 2011 and December 31, 2010, the Company's consolidated statements of net income and consolidated statements of cash flows for the three and nine months ended September 30, 2011 and 2010. These summary statements should be read in conjunction with the Company's audited consolidated financial statements including the accompanying notes for year ended December 31, 2010 as filed on SEDAR.

As of January 1, 2011, Black Diamond adopted International Financial Reporting Standards (IFRS), and the following disclosures, as well as associated interim condensed consolidated financial statements have been reported in accordance with IFRS. Black Diamond's effective transition date is January 1, 2010, to accommodate 2010 IFRS comparative information. A comprehensive summary of all the significant changes including reconciliations of Canadian GAAP financial statements to those prepared under IFRS are included in note 27 of the Company's unaudited interim financial statements for the three and nine months ended September 30, 2011 as filed on SEDAR.

Black Diamond Group Limited
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)

(Expressed in thousands)

As at	September 30, 2011	December 31, 2010
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	16,049	-
Trade and other receivables	62,656	35,080
Prepaid expenses and other current assets	12,351	2,491
	91,056	37,571
Non-Current		
Property and equipment	283,866	247,160
Intangible assets	11,021	12,064
Goodwill	34,734	34,591
	420,677	331,386
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Bank indebtedness	-	6,776
Accounts payable and accrued liabilities	30,656	32,575
Dividends payable	1,770	1,482
Current income taxes payable	31	68
Finance lease obligation	57	561
	32,514	41,462
Non-Current		
Long-term debt	86,071	66,000
Long-term customer deposits	347	543
Risk management liability	2,235	1,402
Asset retirement obligations	1,834	1,780
Deferred tax liabilities	35,513	25,571
	158,514	136,758
Shareholders' equity		
Share capital	240,135	187,925
Contributed surplus	4,377	4,246
Non-controlling interest	996	348
Accumulated other comprehensive loss	(3,779)	(3,151)
Retained earnings	20,434	5,260
	262,163	194,628
	420,677	331,386

Black Diamond Group Limited
CONSOLIDATED STATEMENTS OF NET INCOME
(Unaudited)

(Expressed in thousands, except per share amounts)

	Three month period ended		Nine month period ended	
	September 30, 2011	September 30, 2010	September 30, 2011	September 30, 2010
	\$	\$	\$	\$
Revenue	63,070	34,221	175,602	96,352
Direct costs	31,582	16,536	87,607	46,922
Gross Profit	31,488	17,685	87,995	49,430
Expenses				
Administrative expenses	6,802	5,760	20,796	16,020
Depreciation of property and equipment	6,912	4,932	19,567	13,873
Amortization of intangibles	375	446	1,138	1,215
	14,089	11,138	41,501	31,108
Operating profit	17,399	6,547	46,494	18,322
Finance costs	1,466	622	3,507	1,713
Income before income taxes	15,933	5,925	42,987	16,609
Income tax				
Current	12	242	48	827
Deferred	3,724	1,870	10,517	4,346
	3,736	2,112	10,565	5,173
Net income	12,197	3,813	32,422	11,436
Net income attributable to non-controlling interest	1,186	(31)	2,131	43
Net income attributable to Black Diamond Group Limited	11,011	3,844	30,291	11,393
Net income per share				
Basic	0.30	0.12	0.84	0.37
Diluted	0.29	0.12	0.82	0.36

Black Diamond Group Limited
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Expressed in thousands)

	Three month period ended		Nine month period ended	
	September	September	September	September
	30, 2011	30, 2010	30, 2011	30, 2010
	\$	\$	\$	\$
Operating activities				
Operating profit for the period	17,399	6,547	46,494	18,322
Add (deduct) non-cash items:				
Depreciation of property and equipment	6,912	4,932	19,567	13,873
Amortization of intangible assets	375	446	1,138	1,215
Foreign exchange gain- unrealized	(9)	47	(13)	20
Share-based compensation expense	488	474	1,390	1,517
	25,165	12,446	68,576	34,947
Change in non-cash working capital related to operating activities	(14,091)	16,120	(51,143)	6,608
Net cash from/ (used in) operating activities	11,074	28,566	17,433	41,555
Investing activities				
Purchase of property and equipment	(9,824)	(19,799)	(54,959)	(45,746)
Business combinations	-	-	-	(17,945)
Change in non-cash working capital related to investing activities	4,015	(9,787)	10,301	(9,787)
Net cash used in investing activities	(5,809)	(29,586)	(44,658)	(73,478)
Financing activities				
Proceeds from long-term debt	61,072	5,000	86,072	41,969
Repayment of long-term debt	(37,969)	(2,980)	(66,000)	(28,441)
Repayment of finance lease	(157)	(160)	(504)	(475)
Interest in period	(1,447)	(592)	(3,453)	(1,618)
Net proceeds from issuance of shares	(117)	-	48,772	24,079
Dividend payments	(5,304)	(4,441)	(14,830)	(12,930)
Distribution to non-controlling interests	(557)	-	(1,483)	-
Purchase of shares in trust	-	-	(74)	(100)
Bank indebtedness	(5,036)	4,117	(6,776)	5,610
Share options exercised	286	76	1,555	3,829
Net cash from financing activities	10,771	1,020	43,279	31,923
Increase/ (decrease) in cash and cash equivalents	16,036	-	16,054	-
Cash and cash equivalents, beginning of year	-	-	-	-
Effect of foreign currency rate changes on cash and cash equivalents	13	-	(5)	-
Cash and cash equivalents, end of year	16,049	-	16,049	-

Additional Information

A copy of the Company's unaudited condensed consolidated interim financial statements for the three and nine month periods ended September 30, 2011 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).

Conference Call

Black Diamond will host a conference call for analysts, investors and interested parties to discuss its financial and operational results at 3:00 p.m. MST on November 9, 2011. Trevor Haynes, President and Chief Executive Officer, and Michael Burnyeat, Vice President, Finance and Chief Financial Officer, will be in attendance. The call can be accessed by calling 416-340-8530 or toll free 1-877-240-9772 prior to the scheduled start time. Digital playback of the conference call will be available on the Company's website.

About Black Diamond

Black Diamond is an Alberta company, the principal undertakings of which, through its wholly-owned subsidiaries, Black Diamond Limited Partnership, Nortex Modular Leasing and Construction Company and through its 50% participation in the Black Diamond Dene Limited Partnership and Black Diamond West Moberly Limited Partnership, are 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 and Logistics, BOXX Modular and Black Diamond Energy Services.

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Reader Advisory

Certain information in this news release contains forward-looking statements including management's assessment of future plans and operations of Black Diamond including, without limitation, statements relating to utilization rates, fleet size, revenue, EBITDA, margins, cash flows, capital expenditures, further deployment of equipment, demand from existing and new customers and dividend levels. 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.blackdiamondlimited.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.

In this news release, the following terms have been referenced: EBITDA (earnings before interest, taxation, depreciation and amortization), gross profit and payout ratio. Readers are cautioned that these measures are not defined under International Financial Reporting Standards ("IFRS"). Readers are cautioned that these non-IFRS 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 nine month period ended September 30, 2011 filed on SEDAR.

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