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BLACK DIAMOND INCOME FUND CLOSES INITIAL PUBLIC OFFERING

Calgary, Alberta — Black Diamond Income Fund ("Black Diamond" or the "Fund") is pleased to announce that it has completed its initial public offering of 3,500,000 trust units at a price of \$10.00 per unit for gross proceeds of \$35 million. The trust units will commence trading on the Toronto Stock Exchange ("TSX") on September 26, 2006 under the symbol "BDI.UN".

The net proceeds to the Fund from the offering were approximately \$32.7 million, after deducting the agents' fees and expenses of the offering. The Fund used the proceeds to acquire an approximate 66% interest in Black Diamond Limited Partnership, which in turn acquired the workforce accommodation and temporary workspace business formerly operated by Black Diamond Leasing Inc. The remaining 34% interest in Black Diamond Limited Partnership is held indirectly by the current shareholders of Black Diamond Leasing Inc.

The offering was carried out by a syndicate of investment dealers co-led by Raymond James Ltd. and GMP Securities L.P. and including Blackmont Capital Inc., Canaccord Capital Corporation, Tristone Capital Inc., and Acumen Capital Finance Partners Limited.

The Fund anticipates making cash distributions of \$0.0833 per trust unit per month (\$1.00 per trust unit per year) to unitholders of record on each Distribution Record Date (being the last day of each calendar month) on or about the 15th day of the month following the Distribution Record Date. The cash distribution in respect of the period from closing of the initial public offering to September 30, 2006 is expected to be paid on October 15, 2006 to unitholders of record on September 30, 2006 and is estimated to be \$0.0108 per trust unit.

Additional information about Black Diamond Income Fund and this transaction is available on SEDAR (www.sedar.com).

About Black Diamond Income Fund

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 a 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 Site Services.

For more information please contact:

**Black Diamond Income Fund, by its Manager,
Black Diamond Group Inc.:**

Trevor Haynes
President and Chief Executive Officer
Black Diamond Group Inc.
Phone: (403) 206-4747
Fax: (403) 206-4737

Michael Burnyeat
Vice President and Chief Financial Officer
Black Diamond Group Inc.
Phone: (403) 206-4740
Fax: (403) 206-4737

This news release does not constitute an offer to sell securities, nor is it a solicitation of an offer to buy securities, in any jurisdiction. All sales will be made through registered securities dealers in jurisdictions where the offering has been qualified for distribution. The securities offered are not, and will not be, registered under the securities laws of the United States of America, nor any state thereof and may not be sold in the United States of America absent registration in the United States or the availability of an exemption from such registration.

The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

Forward-Looking Statements

Certain information set forth in this press release, including a discussion of future plans and operations, contains forward looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond management's control, including but not limited to, 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. Actual results, performance or achievement could differ materially from those expressed in or implied by these forward-looking statements.