

Black Diamond Reports 2014 Full Year EBITDA of \$140 Million and Reduces 2015 Capital Program to \$50 Million

Calgary, Alberta, March 4, 2015 - Black Diamond Group Limited ("Black Diamond", the "Company" or "we"), (TSX:BDI), a leading provider of workforce accommodation and modular workspace solutions, today announced its operating and financial results for the three and twelve month periods ended December 31, 2014. All financial figures are expressed in Canadian dollars.

"The significant decline in global oil prices during the second half of 2014 meant that we exited the year with 70% utilization in our workforce accommodations business compared with 85% a year ago," said Trevor Haynes, President and Chief Executive Officer of Black Diamond. "We continue to be well positioned to weather the current storm with our conservative balance sheet and payout ratio. Through this period we will take prudent measures to continue to protect our balance sheet, be stringent with our capital expenditures and be diligent controlling our discretionary costs and all other spending."

2014 Fourth Quarter and Total Year Financial Highlights:

| | Three months ended December 31 | | | Twelve months ended December 31 | | |
|-----------------------------------|--------------------------------|---------|--------|---------------------------------|---------|--------|
| | 2014 | 2013 | Change | 2014 | 2013 | Change |
| (in thousands, except as noted) | \$ | \$ | % | \$ | \$ | % |
| Revenue by business unit: | | | | | | |
| Structures | 52,806 | 68,660 | (23)% | 220,745 | 212,408 | 4% |
| Logistics | 26,801 | 25,099 | 7% | 119,191 | 83,456 | 43% |
| Energy Services | 7,212 | 8,835 | (18)% | 32,444 | 31,582 | 3% |
| International | 1,995 | 4,266 | (53)% | 14,187 | 19,609 | (28)% |
| Total revenue | 88,814 | 106,860 | (17)% | 386,567 | 347,055 | 11% |
| EBITDA | 28,094 | 38,396 | (27)% | 139,619 | 141,181 | (1)% |
| Profit for the period | (3,616) | 13,654 | (126)% | 35,038 | 53,216 | (34)% |
| Earnings per share - Basic | (0.09) | 0.33 | (127)% | 0.82 | 1.27 | (35)% |
| - Diluted | (0.08) | 0.32 | (125)% | 0.81 | 1.26 | (36)% |
| Capital expenditures | 46,283 | 36,402 | 27% | 119,778 | 95,560 | 25% |
| Dividends declared | 10,025 | 9,051 | 11% | 39,251 | 34,536 | 14% |
| Dividend per share (\$) | 0.24 | 0.22 | 9% | 0.93 | 0.83 | 12% |
| Payout ratio | 42% | 26% | 62% | 31% | 27% | 15% |

Operational Highlights:

- Results for the three months ended December 31, 2014 (the "Quarter") were in-line with the operational update provided on December 18, 2014.

- Revenue for the Quarter was \$88.8 million, down 17% or \$18.1 million from a year ago primarily due to the impact of low commodity prices on business activity in the Structures, Energy Services and International business units. This was partially offset by an increase in revenue in the Logistics division during the Quarter.
- Structures EBITDA (see “Non-GAAP Measures”) was impacted by a \$3.0 million provision in the Quarter for as yet unrecovered costs on the custom sale of camp equipment and associated field-level operations announced on October 30, 2013.
- EBITDA for the Quarter was \$28.1 million, down 27% or \$10.3 million from a year ago due to a decrease in revenue and the \$3.0 million provision in the Structures business unit (explained above).
- A net loss of \$3.6 million was recorded for the Quarter compared with a net profit of \$13.7 million a year ago primarily due to a one-time \$8.2 million write down of goodwill and intangible assets related to the International business unit, and a 17% year-over-year decrease in revenues.
- The Company continues to maintain a strong balance sheet. At December 31, 2014, the Net Debt to EBITDA ratio was 1.26 (December 31, 2013 - 1.09).
- Under the Normal Course Issuer Bid ("NCIB") initiated by the Company on October 6, 2014, 1.9 million shares were repurchased at an average price of \$20.42 per share. This reduced our issued and outstanding shares from 43.0 million at October 6, 2014 to 41.0 million at December 31, 2014. No further repurchases are contemplated under the NCIB during the first quarter of 2015.
- The consolidated committed rental and lodging revenue yet to be earned from contracts in place at the end of the Quarter was \$130.3 million (Comparative Quarter - \$203.2 million).

Long-term Asset Review

A comprehensive review of Black Diamond's operations to assess any asset impairments due to the current environment of lower commodity prices resulted in:

- **North America - No impairment:** Despite the current headwinds posed by low oil and gas prices at present, Black Diamond's underlying operations and future prospects continue to demonstrate resilience in its core operating areas.
- **Australia - \$8.2 million impairment:** An extended downturn in commodity pricing for metallurgical coal, iron ore and other mined commodities has caused ongoing weakness in the Australian mining sector. This has negatively impacted utilization of workforce accommodation units in the International business unit. While the potential for future growth in Australia continues to exist in both the mining and natural gas drilling sectors, management assessed the assets based on their estimated fair value less cost to sell or the value in use and recorded an impairment loss of \$8.2 million in goodwill and intangible assets. This resulted in a one-time loss of \$0.19 per basic and diluted share outstanding for 2014.

Capital Spending

Capital expenditures for the Quarter and 2014 were \$46.3 million and \$119.8 million, respectively. Black Diamond's 2015 capital program has been reduced by the Board of Directors from \$85 million to \$50 million, of which \$29.4 million has already been committed as at December 31, 2014. Of this amount, \$19.6 million relates to contracts that

include the previously announced 1,244 person camp in northeastern British Columbia, with the remainder being spent in a generally non-speculative manner.

Dividends and Payout Ratio

The payout ratio (see “Non-GAAP Measures”) for the Quarter increased to 42% compared with 26% during the same period last year as a result of two dividend increases within a twelve month period (November 6, 2013 and August 12, 2014) and lower distributable cash flow. The Payout ratio for 2014 was 31% compared with 27% in 2013.

Outlook

We expect first quarter 2015 EBITDA to be generally in line with fourth quarter 2014 EBITDA. We are confident that with the current run rate of Black Diamond's business, current contract coverage, and a diverse range of marketable assets, that we will be able to meet all of our financial obligations while continuing to pay the dividend.

While we remain optimistic that liquefied natural gas represents solid upside opportunity for Black Diamond in 2015 and 2016, it is prudent to highlight the current uncertainty in the Western Canadian oil and gas sector relative to future realized commodity pricing and the future of capital programs that are predicated on these economics.

Changes to the Board of Directors

Dave Butler, Chairman of the Board of Directors has advised the Board that he will retire and will not be standing for re-election at the upcoming Annual and Special meeting of the Shareholders to be held on May 7, 2015. The Board and Management would like to thank Mr. Butler for his many years of service to the Company. Following Mr. Butler's retirement, Trevor Haynes will assume the role of Chairman of the Board.

Robert Brawn will continue to serve as independent Lead Director of the Company.

Marshall McRae has been appointed to Black Diamond's Board of Directors effective March 4, 2015.

Based in Calgary, Alberta, Mr. McRae is currently an independent financial and management consultant with over 30 years of senior operations and financial management experience with a number of publicly traded and private companies spanning the oil and gas, environmental services and retail industries. Mr. McRae was Executive Vice President of the Company until the end of 2014, which followed him serving as Interim Executive Vice President and Chief Financial Officer of the Company. He is currently a director and the chair of the audit committees of Athabasca Oil Corporation and Gibson Energy Inc. Mr. McRae has a Bachelor of Commerce degree, with Distinction, from the University of Calgary, and a Chartered Accountant designation from the Institute of Chartered Accountants of Alberta.

Additional Information

A copy of the Company's Audited Financial Statements for the year ended December 31, 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) and www.blackdiamondgroup.com.

Conference Call

Black Diamond will host a conference call and webcast for analysts and investors at 8:15 a.m. Mountain Time (10:15 a.m. Eastern Time) on Thursday, March 5, 2015 to discuss Black Diamond's financial results for the quarter.

President and Chief Executive Officer Trevor Haynes and Executive Vice President and Chief Financial Officer Michael Lambert will be in attendance.

To access the conference call by telephone dial toll free 1-866-696-5910. Callers from the Toronto area should use (416) 340-2217. Participant pass code is 4620811. Please connect approximately 10 minutes prior to the beginning of the call.

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 2015 capital budget, the anticipated use of proceeds of 2015 capital budget, 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) 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: 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 twelve month period and year ended December 31, 2014 and 2013 filed on SEDAR.

About Black Diamond

Black Diamond rents and sells portable workforce accommodation and work space 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 workspaces, we also provide specialized field rentals to the oil and gas industries of Canada and the United States. From twenty locations around the world, we serve multiple sectors including oil and gas, mining, power, construction, engineering, military, government and education.

For investor inquiries please contact Tom McMillan at 403-718-0948 or tcmillan@blackdiamondgroup.com. For media inquiries, please contact Tara Sukut at 403-718-5061 or tsukut@blackdiamondgroup.com. To sign up for news alerts please go to <http://bit.ly/BDI-News> or visit www.blackdiamondgroup.com.