

**BLACK DIAMOND POSTS RECORD Q3 RESULTS AND ANNOUNCES AN INITIAL 2015 CAPITAL BUDGET OF \$85 MILLION**

**Calgary, Alberta (November 5, 2014)** - Black Diamond Group Limited ("Black Diamond" or the "Company"), (TSX:BDI), today announced its operating and financial results for the three and nine month periods ended September 30, 2014.

**THIRD QUARTER HIGHLIGHTS:**

- Revenue for the three months ended September 30, 2014 (the "Quarter") increased by 8% to \$84.8 million compared to the three months ended September 30, 2013 (the "Comparative Quarter"), with significant increases in non-rental and lodging revenue.
- Revenue for the nine month period ended September 30, 2014 (the "YTD") increased by 24% to \$297.8 million compared to the nine month period ended September 30, 2013 (the "Comparative YTD"), with significant increases in non-rental revenue primarily due to fleet sales as well as continued growth in the Logistics business unit driving up YTD lodging revenue.
- EBITDA for the Quarter was \$34.2 million compared with \$33.1 million for the Comparative Quarter, a 4% increase due to steady rental business in the Quarter, which was partially offset by lower margins from other revenue streams. EBITDA for the YTD was \$111.5 million compared with \$102.8 million for the Comparative YTD. The 9% increase was driven by higher revenues during the YTD which was partially offset by a change in mix of lower margin revenue streams and camp types.
- Earnings per share was \$0.26 in the Quarter and \$0.91 in the YTD compared to \$0.28 for the Comparative Quarter and \$0.95 in the Comparative YTD, respectively.
- The Company paid increased dividends of \$0.08 per share per month effective from the month of August 2014 up from \$0.075. The payout ratio (see "Non-GAAP Measures") for the Quarter was 31.8% (Comparative Quarter - 28.1%)
- The Company commenced a Normal Course Issuer Bid for its common shares on October 6, 2014. To date, the Company has acquired for cancellation 1.5 million shares at an average price of \$20.88 per share pursuant to the bid.

## OUTLOOK

Black Diamond's corporate strategy is underpinned by a consistent long-term focus on growing its business in a thoughtful and measured manner. The Company believes this prudence is especially important considering moderate weakness in some segments of the western Canadian accommodations and modular manufacturing markets. The Company's project pipeline is strong - specifically in our primary customers' core operating areas such as the SAGD region south of Fort McMurray and the liquids-rich regions in northern B.C. and Alberta

As one of North America's largest independent buyers of modular buildings, management believes reduced manufacturing backlogs and pricing pressure for market suppliers will provide short to medium-term positive benefits to the Company.

Black Diamond's results for the Quarter posted year-over-year growth in revenue and EBITDA of 8% and 4% respectively, highlighting continued growth from deployed capital. Management's outlook for the fourth Quarter anticipates sequential improvement in revenue and EBITDA over the third Quarter, to levels reflective of the fourth Quarter of 2013.

The Company has spent \$73 million of the previously announced \$121 million 2014 capital budget, and has \$81 million of firm capital commitments in place for expenditure over the next six months. Management anticipates a full-year 2014 capital spend of approximately \$120 million. Black Diamond's Board of Directors has approved an initial 2015 capital budget of \$85 million, inclusive of the approximately \$34 million already committed. It is expected that 2015 capital will be allocated in a generally non-speculative manner and with similar weighting by asset type and geography as in 2014. The Company's current 2015 budget does not anticipate any spend related to major LNG-related projects. Management is optimistic that a Final Investment Decision ("FID") will be reached for at least one LNG project in 2015. If a positive FID is received, management anticipates that Black Diamond's capital spend and growth will likely be accelerated.

As evidenced by Black Diamond's 2015 capital budget, the Company continues to enjoy a healthy bid log in its core markets and management believes, a growth in market share. Accordingly, management's current assessment for 2015 is for modest year-over-year growth in revenue and EBITDA. Management is confident that the Company's strong balance sheet positions it to capitalize on incremental growth opportunities of significance such as LNG.

### **Additional Information**

A copy of the Company's Unaudited Condensed Consolidated Interim Financial Statements for the three and nine month periods ended September 30, 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](http://www.sedar.com)).

### **Conference Call**

Black Diamond will host a conference call for analysts, investors and interested parties to discuss its third Quarter financial and operational results at 8:15 a.m. MST on November 6, 2014. Trevor Haynes, President and Chief Executive Officer, and Michael Lambert, Executive Vice President and Chief Financial Officer, will be in attendance. The call can be accessed by calling 416-340-2217 or toll free 1-866-696-5910 (Participant pass code 6039492) prior to the scheduled start time. A live audio webcast of the meeting will also be available through the investor relations page of the Company's website at [www.blackdiamondgroup.com](http://www.blackdiamondgroup.com). Digital playback of the conference call will be available on the Company's website.

### **About Black Diamond**

Founded in 2003, Black Diamond Group Limited is one of the fastest growing remote lodging, modular building and energy services companies worldwide. With its corporate head office located in Calgary, Alberta, Black Diamond provides world-class services to a wide spectrum of industries including oil and gas, mining, power, construction, engineering, military, government and education.

Through its direct and indirect wholly-owned subsidiaries and its approximate 50% equity participation in certain Aboriginal limited partnerships, Black Diamond operates four complementary business units in nineteen strategic locations across Canada, the United States and Australia.

Black Diamond Structures rents and sells remote workforce housing and modular workspace solutions and provides associated services; Black Diamond Logistics provides turnkey lodging services, remote facility management and supply chain solutions; Black Diamond Energy Services rents and sells a complement of oilfield equipment and services and Black Diamond International rents and sells remote workforce housing and modular workspace solutions and provides associated services outside of North America.

### **For more information please contact:**

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## 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 2014 and 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](http://www.sedar.com)) and at Black Diamond's website ([www.blackdiamondgroup.com](http://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 nine month periods ended September 30, 2014 and 2013 filed on SEDAR.

**SELECTED FINANCIAL HIGHLIGHTS:**

	Three months ended September 30		Nine months ended September 30	
	2014	2013	2014	2013
(in thousands, except as noted)	\$	\$	\$	\$
<b>Total revenue</b>	84,784	78,144	297,753	240,195
<b><u>Structures business unit:</u></b>				
<b>Total revenue</b>	49,104	49,394	167,939	141,347
<b><u>Logistics business unit:</u></b>				
<b>Lodging revenue</b>	23,935	17,193	92,390	60,758
<b><u>Energy Services business unit:</u></b>				
<b>Total revenue</b>	6,688	6,824	25,232	22,747
<b><u>International business unit:</u></b>				
<b>Total revenue</b>	5,057	4,733	12,192	15,343
<b>EBITDA</b>	34,241	33,050	111,525	102,785
<b>Profit for the period</b>	11,190	11,808	38,653	39,562
<b>Earnings per share - Basic</b>	0.26	0.28	0.91	0.95
<b>- Diluted</b>	0.26	0.28	0.89	0.93
<b>Capital expenditures</b>	34,917	17,708	73,495	59,158
<b>Dividends declared</b>	10,079	8,823	29,226	25,485
<b>Dividend per share (\$)</b>	0.24	0.21	0.69	0.61
<b>Payout ratio</b>	32%	28%	28%	27%