

BLACK DIAMOND INCOME FUND RELEASES 2007 CANADIAN TAX INFORMATION

Calgary, Alberta – (TSX: BDI.UN) Black Diamond Income Fund (“Black Diamond” or the “Fund”) has announced information necessary for 2007 Canadian tax reporting. The information provided below is solely to assist Canadian individual unitholders with tax reporting information in respect of distributions declared during the calendar year 2007. This information is not intended to constitute legal or tax advice to any holder or potential holder of Black Diamond units (“Units”). Canadian unitholders should consult with a taxation or investment professional for additional tax advice. The following summary applies to unitholders who are residents of Canada under the Income Tax Act (Canada) and who hold their units as capital property.

Units held within an RRSP, RRIF, RESP or DPSP

No amounts are to be reported on the unitholders’ 2007 Income Tax Return where Units are held within a Registered Retirement Savings Plan (RRSP), Registered Retirement Income Fund (RRIF), Registered Education Savings Plan (RESP) or a Deferred Profit Sharing Plan (DPSP).

Units held outside an RRSP, RRIF, RESP or DPSP

Unitholders who hold their Units outside of an RRSP, RRIF, RESP or DPSP and were entitled to receive distributions on a distribution record date within the calendar year 2007 will receive a T3 Statement of Trust Income Allocations and Designations Slip (“T3”) directly from Olympia Trust Company or from the broker/intermediary who the unitholder holds their Units through. Distributions declared in 2007 will be an 88.83% return of capital and reported in box 42 of the T3. The deadline for mailing the 2007 T3’s to unitholders, as required by the Canada Revenue Agency is March 31, 2008.

Schedule of Tax Treatment of 2007 Distributions

The following schedule details the cash distributions declared in 2007 and the tax treatment of each distribution per

Unit for income tax purposes:

Record Date	Payment Date	Taxable Amount (T3 - Box 26)	Return of Capital (T3 - Box 42)	Total Distribution
January 31, 2007	February 15, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
February 28, 2007	March 15, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
March 31, 2007	April 16, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
April 30, 2007	May 15, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
May 31, 2007	June 15, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
June 30, 2007	July 16, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
July 31, 2007	August 15, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
August 31, 2007	September 17, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
September 30, 2007	October 15, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
October 31, 2007	November 15, 2007	\$ 0.0093	\$ 0.0740	\$ 0.0833
November 30, 2007	December 17, 2007	\$ 0.0101	\$ 0.0799	\$ 0.0900
December 31, 2007	January 15, 2008	\$ 0.0101	\$ 0.0799	\$ 0.0900
Total		\$ 0.1132	\$ 0.8998	\$ 1.0130

Adjusted cost base of Units for capital gain purposes

Canadian individual Unitholders are required to reduce the adjusted cost base (“ACB”) of their Trust units by the amount reported in Box 42 “Amount Resulting in Cost Base Adjustment” of the 2007 T3, which is equal to the cumulative distributions declared during calendar 2007 that the Canadian individual Unitholder was entitled to, less the amount reported as “Other Income” in Box 26 of the 2007 T3. The ACB is then used to determine and report in the Canadian individual Unitholder's T1, the capital gain/loss, if any, in the taxation year when the Units are disposed or deemed disposed of. If the ACB is reduced to zero, any further reduction to the ACB should be reported by the Canadian individual Unitholder as a capital gain on the Canadian individual Unitholder's T1 in the taxation year that it occurs.

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 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

Phone: (403) 206-4737

Fax: (403) 264-9281

Michael Burnyeat

Vice President, Finance and Chief Financial Officer

Phone: (403) 206-4740

Fax: (403) 264-9281

Website: www.blackdiamondincomefund.com

Reader Advisory

Certain information in this news release contains forward-looking statements including management's assessment of future plans and operations of Black Diamond. 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 effect 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.blackdiamondincomefund.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.

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