



NEWS RELEASE

May 4, 2009

**BLACK DIAMOND INCOME FUND REPORTS RESULTS FOR THE FIRST QUARTER
ENDED MARCH 31, 2009**

Calgary, Alberta — (TSX: BDI.UN) Black Diamond Income Fund ("Black Diamond" or the "Fund") announced today its financial and operational results for the three months ended March 31, 2009.

Revenue generated was \$26.9 million with EBITDA of \$12.8 million for the period, compared to revenue of \$15.3 million and EBITDA of \$7.3 million for the same period in 2008. This equates to a 76% increase in revenue and a 75% increase in EBITDA year-over-year. Rental fleet growth, high levels of utilization and the sale of a large permanent camp facility contributed to the increase.

Gross profit for the quarter was \$15.5 million, up 74% from the first quarter of 2008. This represents a gross profit margin of 58%, consistent with the 59% realized in the first quarter of 2008. Earnings for the quarter were \$9.2 million, compared with \$4.0 million for the first quarter of 2008. The Fund reduced its net debt position by \$7.5 million in the quarter.

Capital spending was \$10.0 million for the quarter, most of which was deployed on long-term contracts in the Horn River area of northeastern British Columbia. Approximately \$3 million of capital expenditures are expected for the second quarter. \$33 million of budgeted capital expenditure was approved for 2009, management is currently estimating that actual expenditures for the year will be in the range of \$20-25 million.

The Fund continues to expand its operating territory with the addition of a branch location and fleet acquisition in Thunder Bay, Ontario to service resource activity in northwestern Ontario. In addition, an office was recently established in Denver, Colorado to serve as the Fund's U.S. business headquarters. A small fleet acquisition has been made in the U.S. Midwest to initiate U.S. operations. These additional operating locations coupled with continued organic growth of existing operations position the Fund for continued expansion.

The Workforce Accommodations division of the Fund generated a significant percentage of its revenue from the large custom sale and installation of the Devon Energy permanent camp at the Jackfish project south of Fort McMurray, Alberta as well as the operations revenue associated with the installation of the third phase of a large camp facility in the Horn River area of northern British Columbia was realized in the quarter. Rental revenue continued to grow due to the large deployment of new rental assets in 2008 and Q1 of this year.

The Space Rentals division has grown its fleet size by 39% from March 31, 2008. Despite utilization below historical averages, this division posted revenue that exceeded the first quarter of 2008 by 49%. The division is currently experiencing a modest recovery in fleet utilization in both Alberta and Ontario.

The Energy Services division continues to benefit from existing long term contracts in its drill site accommodations fleet. The division's surface rental fleet continues to generate utilization rates better than industry average despite the challenging drilling environment. This trend is expected to continue for both fleets in the second quarter.

First quarter revenue benefited from the large sale and install operations associated with the Jackfish project. These custom sale opportunities will occur from time to time but are unlikely to recur in each quarter. For the second quarter, despite having increased rental revenues the Fund will have less operations and custom sales revenue resulting in sequentially lower revenue and EBITDA. Management believes that the second quarter will be strong on a year over year comparative basis with gross margins and EBITDA margins in line with those generated in recent quarters.

The Fund continues to distribute \$0.09 per unit per month (\$1.08 per unit annually) resulting in a payout ratio for the quarter of 26%. Payout for the first quarter in the prior year was 38%. Management currently anticipates that the cash generated from operations will be sufficient to allow the Fund to meet ongoing requirements for working capital, interest costs, planned capital expenditures, as well as distributions to unitholders.

Summary Financial Statements

The following is a summary of the Fund's consolidated balance sheets as at March 31, 2009 and December 31, 2008, the Fund's consolidated statements of net income, comprehensive income and accumulated income (loss) and consolidated statements of cash flows for the three months ended March 31, 2009 and 2008. These summary statements should be read in conjunction with the Fund's consolidated financial statements including the accompanying notes for the three months ended March 31, 2009 as filed on SEDAR.

Black Diamond Income Fund
CONSOLIDATED BALANCE SHEETS

(Unaudited)
(Expressed in thousands of dollars)

As at	March 31, 2009 \$	December 31, 2008 \$
ASSETS		
Current		
Cash	3,471	—
Accounts receivable	12,642	19,877
Prepaid expenses and other current assets	1,450	1,846
	17,564	21,723
Property and equipment	136,327	129,884
Intangibles	10,489	10,737
Goodwill	29,316	29,316
	193,696	191,660
LIABILITIES AND UNITHOLDERS' EQUITY		
Current		
Bank indebtedness	—	4,889
Accounts payable and accrued liabilities	10,098	9,865
Distributions payable	1,065	1,065
Current portion of capital lease obligation	611	602
	11,774	16,421
Capital lease obligation	1,044	1,200
Long-term debt	43,000	42,000
Future income taxes	12,554	12,776
	69,372	72,397
Commitments		
Unitholders' equity		
Trust units and exchangeable partnership units	119,446	119,446
Contributed surplus	614	525
Accumulated income (loss), after accumulated distributions	5,264	(708)
	125,324	119,263
	193,696	191,660

Black Diamond Income Fund
CONSOLIDATED STATEMENTS OF NET INCOME, COMPREHENSIVE
INCOME AND ACCUMULATED INCOME (LOSS)

(Unaudited)
(Expressed in thousands of dollars, except per unit amounts)

	Three month period ended	
	March 31, 2009	March 31, 2008
	\$	\$
Revenue	26,873	15,254
Direct costs	11,337	6,308
	15,536	8,946
Expenses		
Selling, general and administrative costs	2,716	1,656
Amortization of property and equipment	3,170	1,734
Amortization of intangibles	248	247
Interest on long-term debt	367	472
Unit-based compensation	89	66
	6,590	4,175
Net earnings before income taxes	8,946	4,771
Future income tax (recovery) expense	(222)	805
Net income and comprehensive income for the period	9,168	3,966
Accumulated loss after accumulated distributions, beginning of period	(708)	(8,996)
Distributions declared	(3,196)	(2,565)
Accumulated income (loss) after accumulated distributions, end of period	5,264	(7,595)
Net income per unit		
Basic	0.77	0.42
Diluted	0.77	0.42

Black Diamond Income Fund
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)
(Expressed in thousands of dollars)

	Three month period ended	
	March 31, 2009	March 31, 2008
	\$	\$
Operating activities		
Net income for the period	9,168	3,966
Add non-cash items:		
Amortization of property and equipment	3,170	1,734
Amortization of intangibles	248	247
Future income taxes	(222)	805
Unit-based compensation expense	89	66
	12,453	6,818
Change in non-cash working capital related to operating activities	9,107	(2,034)
	21,560	4,784
Investing activities		
Purchase of property and equipment (net)	(9,613)	(9,925)
Change in non-cash working capital related to investing activities	(1,244)	(1,800)
	(10,857)	(11,725)
Financing activities		
Proceeds from long-term debt	1,000	7,000
Repayment of capital lease	(147)	(47)
Distribution payments	(3,196)	(2,545)
Bank indebtedness	(4,889)	1,608
Unit options exercised	—	(8)
	(7,232)	6,009
Increase (decrease) in cash	3,471	(932)
Cash, beginning of year	—	932
Cash, end of year	3,471	—

Additional Information

A copy of the Fund's consolidated financial statements for the three months ended March 31, 2009 and management's discussion and analysis for the three months ended March 31, 2009 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 8:30 a.m. MST on May 5, 2009. 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 416-340-2216 or toll free 1-866-226-1792 prior to the scheduled start time. Digital playback of the conference call will be available on the Fund's website.

About Black Diamond

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, rent various types of oilfield equipment used in the exploration and production of oil and gas and to provide complementary services including transportation, installation, dismantling, repair and maintenance of modular structures and oilfield rental equipment, as well as related services through three operating divisions consisting of Workforce Accommodations, Space Rentals and Energy Services.

For more information please contact:

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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, cash flows, capital expenditures, further deployment of equipment, demand from existing and new customers and distribution 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.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.

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 Canadian 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 Fund's performance or cash flows, a measure of liquidity or as a measure of actual return on the trust units of the Fund. These Non-GAAP measures should only be used in conjunction with the consolidated financial statements of the Fund. A reconciliation between these measures and measures defined under GAAP is included in management's discussion and analysis for the three months ended March 31, 2009 filed on SEDAR.

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