

BLACK DIAMOND INCOME FUND INCREASES 2007 CAPEX BUDGET AND IS AWARDED CAMP EXPANSION CONTRACT

Calgary, Alberta — (TSX: BDI.UN) Black Diamond Income Fund (“Black Diamond” or the “Fund”) is pleased to announce an increase in its approved capital expenditure program for 2007 and award of a 595 person oil sands camp expansion.

The Fund has increased its 2007 capital expenditure budget by \$12 million to a total of \$39,965,900. This increase is necessary in order for the Fund to meet continued strong demand for its rental products. Approximately \$7 million of the additional capital will be allocated to the Black Diamond Camps division, with the remainder going to the Fund’s BOXX Modular division. The majority of the new equipment being ordered will be delivered from manufacturers in the fourth quarter of 2007 with the balance expected in the first quarter of 2008. The Fund will use existing debt facilities and cashflow to fund these additional expenditures.

The Fund is also pleased to announce that it has been awarded an additional camp expansion contract at the Canadian Natural Resources Limited Horizon Oil Sands project development near Fort McMurray, Alberta. The Fund will provide facilities on a rental basis for single occupancy accommodation of 595 people. The Fund will also be responsible for the mobilization, assembly and interconnection of these facilities. Initial mobilization will occur in late June of this year with full occupancy anticipated on or before the end of July 2007. This award is in addition to the previously announced 1,027 person Horizon Camp expansion contract awarded to the Fund earlier this year.

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.

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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. For more information please contact Black Diamond Income Fund, by its Manager, Black Diamond Group Inc.

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