



BLACK DIAMOND ANNOUNCES ACQUISITION OF PARAGON SASKATCHEWAN

Calgary, Alberta - (TSX: BDI) February 3, 2010, Black Diamond Group Limited ("Black Diamond" or the "Company") is pleased to announce that it has entered into a definitive agreement to acquire all of the shares of Paragon Energy Services (Saskatchewan) Ltd. ("Paragon") for consideration consisting of 254,427 common shares of Black Diamond and cash of approximately \$550,000 to repay incumbent credit facilities. The effective date of the transaction is January 1st, 2010.

Paragon is based in Estevan, Saskatchewan. Servicing primarily the oil and potash markets in southern Saskatchewan, Paragon has a surface rental fleet of approximately 220 units and generated approximately \$3 million of rental and operations revenue and EBITDA of approximately \$1.4 million in 2009. Paragon's assets, contracts and operations will be incorporated within Black Diamond's Energy Services division.

Management believes that the acquisition of Paragon is both accretive and strategic to Black Diamond. This relatively new fleet is well managed and positions the Company to expand its services into the very active Bakken oil play and to the growing number of Potash extraction projects in Saskatchewan.

About Black Diamond

Black Diamond is an Alberta company, the principal undertaking of which, through its wholly-owned subsidiary, Black Diamond Limited Partnership, and through its 50% equity participation in Black Diamond Dene 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 equipment, as well as related services through three operating divisions consisting of Black Diamond Camps, BOXX Modular and Black Diamond Energy Services.

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Reader Advisory

Certain information in this news release contains forward-looking statements including, without limitation, expectations of management regarding the proposed Acquisition, including the satisfaction of closing conditions of the Acquisition, operating and financial metrics of the Acquisition, potential benefits resulting from the Acquisition and the effect of the Acquisition on Black Diamond's business. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Black Diamond's control including, without limitation, that the Acquisition may not close when planned or at all or on the terms and conditions set forth herein, 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.blackdiamondlimited.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 term EBITDA (earnings before interest, taxation, depreciation and amortization) has been referenced. Readers are cautioned that this measure is not defined under Canadian Generally Accepted Accounting Principles ("GAAP"). Readers are cautioned that this non-GAAP measure is not an alternative to a measure under GAAP and should not, on its 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 shares of the Company. This Non-GAAP measure should be used in conjunction with the consolidated financial statements of the Company.

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