



NEWS RELEASE

July 29, 2014

Black Diamond Provides Update on Minority Interest in Australian Manufacturing Business

Calgary, Alberta (July 29, 2014) - Black Diamond Group Limited ("Black Diamond" or "the Company") (TSX:BDI), confirmed today that WesternOne Inc. ("WesternOne") is winding-down its manufacturing operations in Australia ("the Business") by placing it into voluntary administration. Black Diamond indirectly holds a 20% minority equity interest in the Business. Black Diamond anticipates the wind-down of the Business will have no impact on Black Diamond's Australian operations.

As part of the purchase consideration for its 20% minority equity interest in the Business, Black Diamond provided an AU\$5,167,500 guarantee to support the Business' credit facilities. Black Diamond anticipates that payment under the guarantee will be required. The timing and amount of such payment is uncertain. However, due to this significant change in circumstances the Company intends to provide for this guarantee in its financial statements for the period ended June 30, 2014. Such provision will not impact the Company's earnings before income, taxes, depreciation and amortization.

"The wind-down of the Business will be dealt with by WesternOne as they have managed and operated the Business since its acquisition," said Trevor Haynes, President and CEO of Black Diamond Group. "Black Diamond's Australian business platform is asset-based and while there has been weakening of our utilization rates, our existing assets service current market demand and continue to generate positive cash flow. As our business is based on the deployment and rental of assets we are confident in the viability of our operations in this region. Our Company will continue to pursue and invest in projects and build our sales and operations teams in Australia."

In North America, Black Diamond continues to see ongoing growth for our products and services, driven by oilsands, infrastructure spending, potential LNG-related activity and general construction.

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.

Reader Advisory

Forward-Looking Statements

Certain information in this news release contains forward-looking statements including 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.. 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) and at Black Diamond's website (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). 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 month periods ended March 31, 2014 and 2013 filed on SEDAR.

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