

MARKET STATISTICS

Exchange / Symbol	TSX: BDI
Price (CAD):	\$4.20
Market Cap (CAD \$M):	\$243.0
Enterprise Value (CAD \$M):	\$443.2
Shares Outstanding (M):	57.8
Float:	74.3%
Volume (3 Month Average):	56,157
52 Week Range (CAD):	\$2.37-\$5.65
Industry:	Industrials

BALANCE SHEET

(CAD\$M, except per sh data)

Balance Sheet Date:	09/30/21
Total Cash:	\$5.1
Total Assets:	\$548.6
Debt:	\$191.2
Equity:	\$237.1
Equity per share:	\$3.86

CONDENSED INCOME STATEMENT

(CAD\$M, except per sh data)

FY - 12/31	Rev	EBITDA	Net Inc.	EPS
FY19	\$185.9	\$39.3	\$(7.5)	\$(0.14)
FY20	\$179.9	\$40.6	\$(3.5)	\$(0.06)
FY21E	\$315.3	\$61.6	\$11.8	\$0.20

LARGEST INSTITUTIONAL HOLDERS

Kernwood Limited	7,167,400
Trevor Haynes; Claryn Equities	3,928,817
Dimensional Fund Advisers	1,926,039
Edward Kernaghan	1,498,600
Steven Stein	1,017,540
QV Investors, Inc.	741,584
Robert Wagemakers	645,311
AGF Management Ltd	567,400
Fraser Jarislowsky	264,400
Edward Redmond	232,416

STOCK CHART

COMPANY DESCRIPTION

Black Diamond Group Limited is a specialty rental company that rents and sells modular workspace and remote workforce accommodations solutions from 27 strategic locations across Canada, the United States, and Australia. The Company operates in two segments: Modular Space Solutions, which provides office units, lavatories, storage units, multi-unit office complexes, and classroom facilities and Workforce Solutions, which provides temporary and intermediate-stay workforce housing and lodging equipment. The Company provides services to a wide array of industries including construction, mining, power, oil, natural gas, engineering, military, government, and education. The Company was founded in 2003 and is headquartered in Calgary, Alberta.

SUMMARY

- **Improving profitability through scale** – BDI has continued to expand its Modular Space Solutions (MSS) rental fleet through investment into new units and acquisitions of existing fleets. The Company is targeting net fleet growth in MSS of 10% per year and is targeting to double the fleet from 2019 to 2023.
- **Robust market dynamics in specialty rental** – In the current inflationary environment, the asset rental space can be an attractive hedge for investors. The Company has seen strong pricing traction in its MSS segment with average rental rates up 9% y/y on a constant currency basis. Further, utilization in the MSS business remains at or near all-time highs at ~85% and is a function of strong markets and execution across the Company's diversified rental platform.
- **Significant operating leverage** – The Company has a significant amount of underutilized assets in the workforce segment and the ability to mobilize them quickly and deploy the assets to areas in need. Utilization in workforce housing assets has improved to 57% in Q3F21 from 30% in the comparative year.
- **Value added products & services** – The Company is continuing to increase rental revenue and margins by offering customers additional onsite services, and auxiliary rental options. Value Added Products & Services (VAPS) revenue has continued to grow steadily. The VAPS % of rental revenue has seen a modest decline owing to a sizable acquisition (Vanguard) in late 2020 which did not provide much in the way of VAPS. This, however, provides an opportunity to drive additional VAPS revenue through the acquired Vanguard assets.
- **LodgeLink market traction** – BDI has developed an online digital marketplace and workflow software for companies that require accommodation solutions for work crews in the U.S. and Canada. The Company has been rapidly scaling the platform and most recently reported 605 unique customers and approximately 6,200 properties which represented approximately 599,000 rooms of capacity. In Q3F21, LodgeLink room bookings grew 87% y/y to 60,398.
- **Disciplined capital expenditure approach** – BDI is focused on growing its current fleet and services using cash from current operations and the sale of underutilized assets as opposed to growing capex. This strategy should help maximize efficiency and increase cash flow over time. The Company reported free cashflow of \$36.1M for the TTM period, which represents a FCF yield of ~15%.
- **Geographic & customer diversification** – The Company currently conducts business throughout 27 strategic locations in Canada, United States and Australia with plans to continue expanding through establishment of additional branches and growth of existing fleets. The Company's revenue mix is diverse with the largest concentration coming from the construction sector at roughly 27%, followed by infrastructure and government each in the 15% to 20% range. The MSS segment alone, rents to over 2,000 different customers.
- **Valuation** - Using a sum-of-the parts multiple analysis, we arrive at a valuation a range of \$5.50 to \$8.50, with a mid-point of \$7.00. Additional details are on page 7.

BUSINESS OVERVIEW

Black Diamond is a specialty rental company that rents and sells modular buildings and remote workforce accommodation and housing solutions throughout Canada, U.S., and Australia. The Company provides an array of products and services to a wide spectrum of industries that tend to operate throughout the locations or locales without adequate housing or office needs. These industries include construction, mining, power, oil, natural gas, engineering, financial institutions, military, government, and education sectors. The Company currently operates in 27 locations across these three countries, with plans to continue to expand into other geographic locations.

Exhibit 1: Geographic Diversification



Source: Company Reports

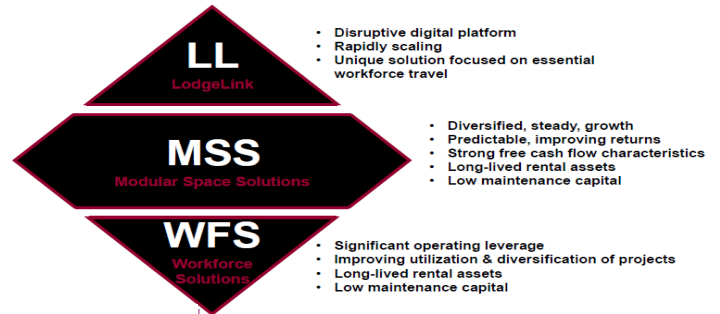
Black Diamond was founded in 2003 by a small group of individuals who acquired 12 rental units for remote work camps in Western Canada. The Company went public on the Toronto Stock Exchange in 2006. Black Diamond expanded into the United States in 2009 and Australia in 2012. After an internal restructuring in 2017, the Company combined four different business segments into two: Modular Space Solutions (MSS) and Workforce Solutions (WFS).

The MSS business segment offers diversified structures for general office purposes including single wide office units, lavatories, storage units, multi-unit office complexes, classroom facilities, high security modular buildings, and blast resistant structures. These turnkey products are designed for use in either temporary or permanent capacities with the opportunity to rent additional items such as furniture and office equipment.

The Company's goal is to grow its MSS fleet while retaining attractive utilization and rental rates. To accomplish this, the Company is committed to keeping a high-quality fleet, selling off nonproducing assets and developing quality long-term relationships with its customer base.

In November 2020, to further its goal of increasing its MSS fleet, Black Diamond made a significant US\$62M (acquisition price includes ~ US\$3M of deferred receivables) acquisition of Vanguard Modular Building Systems. The acquisition increased scale, geographic diversity via its Southeastern US footprint, and vertical diversity as Vanguard has expertise in the serving the Education vertical. And lastly, the acquisition promises to be accretive to EPS by about CAD\$0.07.

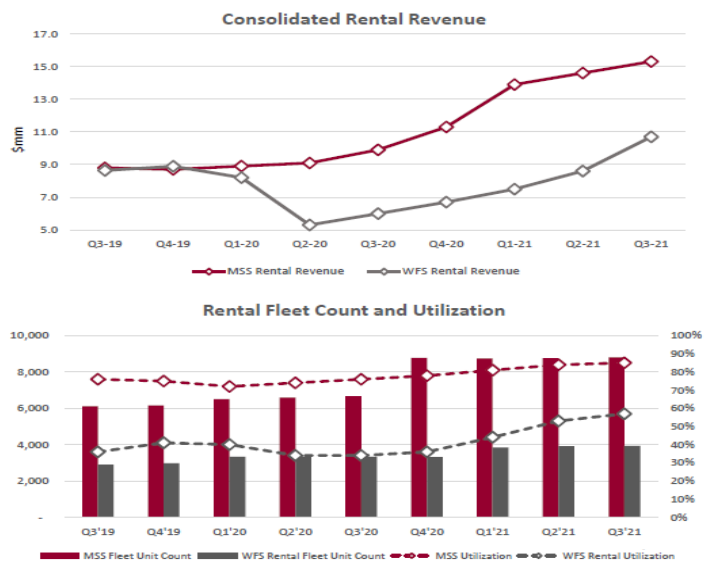
Exhibit 2: Black Diamond Business Units



Source: Company Reports

The WFS segment provides temporary accommodation and lodging for workers in remote locations or locales where appropriate lodging is not available. Black Diamond can deliver and install ancillary products such as kitchen/diner complexes, recreation facilities and utility assets wherever the customer needs. The WFS segment also consists of LodgeLink, an online marketplace for remote lodging that connects remote accommodation providers with workforces and companies that require lodging. LodgeLink was launched in 2017 and is quickly scaling and gaining traction.

Exhibit 3: Black Diamond Business Unit Trends



Source: Company Reports

Black Diamond's management team consists of industry veterans with a wide array of experience and expertise in remote services, asset management and project execution. The Company is led by its CEO and co-founder, Trevor Haynes, who has been responsible for the growth of Black Diamond from the original site to the 27 locations today. Mr. Haynes has over 30 years of experience in the workforce accommodation, energy services, and modular building industries. He has also launched several successful construction and energy services companies. In addition to Mr. Haynes, Toby LaBrie, the company's CFO, has been with the Company since 2009 and is responsible for cost control measures, evaluating capital structure, and efficiently minimizing tax and interest expenses.

MODULAR SPACE SOLUTIONS (MSS)

The MSS business has a network of branches in key geographic areas across North America that provide modular buildings, either for rent, or as a permanent solution through custom sales or used fleet sales. Products include mobile office units, large multi-unit office complexes, classroom facilities, and blast resistant structures. The segment has grown through organic growth as well as acquisitions. Brand names include BOXX Modular, Britco, MPA Systems, Vanguard and Schiavi.

Exhibit 4: MSS Products



Source: Company Reports

The MSS segment serves a diversified client base that operates in the construction, real estate development, manufacturing, education, healthcare, financial, government, defense industries, and various companies relating to the resource industry. As one of these companies moves into a new location for a job, or expands within an existing job, demand increases for additional square footage that go along with running a business such as office space, storage space, and lavatories among other things. In many locations where these businesses operate, there is not adequate infrastructure to support these workers.

Where this demand has developed, Black Diamond is able to step in and supply these necessities. BDI will usually sign a contract with the company requiring these products to rent the equipment for a typical period of 18-36 months. After agreement, a third-party installation team will deliver and install the products at the designated worksite. When the contract period is up, the renter has an option to continue renting the equipment month to month. Alternatively, if the needs of the renter become more permanent or much longer in length, the company can choose to purchase the equipment from Black Diamond. The MSS business unit will also offer new units or used units for sale.

Lastly, BDI will also rent ancillary products such as furniture and office equipment to ensure a turnkey operation for the client. These value-added products and services (VAPS) have been a growing source of revenue for BDI.

The MSS buildings are either wood or steel framed structures that are mounted on chassis with axles or steel channel skids that allow for easy transportation, delivery and set up between job sites. The units are usually equipped with heating and air conditioning, electrical panels, plumbing, windows, doors, and hardware. The units are constructed so that reconfiguration of the interior, addition of washrooms, and outright connection to other units is possible for the needs of the customer. BDI believes this added versatility and enhanced desirability will extend the life of the units.

Exhibit 5: MSS Office Interior



Source: Company Reports

The MSS segment currently has 8,801 units across North America with solid returns on long-lived assets. BDI recognizes a continuing opportunity in this market and is targeting net fleet growth of 10% per year. Additionally, BDI is committed to improving overall utilization rates and continue its penetration into the VAPS.

The MSS segment struggled slightly in F18, after a large customer rolled over a large number of units at one time. This caused utilization rates among available units to decline. However, the Company rebounded in F19 with revenue increasing 19% and adjusted EBITDA from MSS increasing 35% due to improved utilization rates, higher rental revenue and higher margins from non-rental revenue. In F20, the MSS segment saw 8% revenue growth and adjusted EBITDA growth of 18%, in-line with stated objectives given the pace of organic capital spending.

YTD performance of the MSS business has been strong, with rental revenue growing 57% when comparing YTD Q3F21 to YTD Q3F20. EBITDA growth over that same time frame is 72% as the Company's non-rental and sales revenues have also seen strong momentum.

WORKFORCE SOLUTIONS (WFS)

The WFS segment provides businesses with accommodation and lodging solutions for its workforce when working on or near job sites. The WFS business' brands include Black Diamond Camps and Black Diamond Energy Services. In addition, the WFS segment also rents oilfield surface equipment, oil field drilling accommodation equipment, and installation and maintenance services. As of Q321, the average room counts with respect to WFS' workforce accommodations fleet in Canada, the United States and Australia were 9,692, 1,575, and 1,164, respectively.

Exhibit 6: WFS Products



Source: Company Reports

The WFS segment further breaks itself down into three business components detailed below:

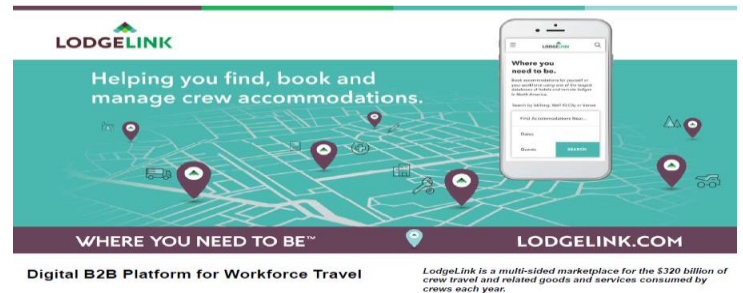
Large Format Workforce Accommodation – Provides workforce housing and services to clients historically in Western Canada, however, recently these assets have been moving to the U.S. and Eastern Canada due to demand. The products are listed as relocatable dormitories, kitchen/diner complexes, recreation facilities and supporting utility assets. These units are typically fully furnished with bedroom, recreation amenities and cooking equipment. These products are provided in remote locations where the infrastructure is not sufficient to meet the needs of the incoming workforce. The Company owns five open lodges which provide lodging services to customers on a non-dedicated basis.

Small Format Workforce Accommodation – This subsegment caters specifically to the needs of oilfield drilling and services companies. It provides single and multi-unit complexes that are highly mobile which can be assembled to create a small community-like atmosphere which houses, feeds, and provides additional amenities for drilling crews and support staff. These highly specialized units tend to relocate often which can create some cyclicity to this small portion of the segment's revenue. The subsegment also consists of oilfield rental equipment that supports

drilling, completion, and production. These are products such as 400-barrel tanks, large format frac tanks, shale bins, fluids management and transfer equipment, light towers, power generation equipment.

LodgeLink – An online marketplace for remote workforce lodging that connects corporate customers and their crews seeking temporary, remote accommodation rooms to a variety of providers of remote camps, lodges, and hotels. The platform currently boasts a supply of ~6,200 properties that allow corporate customers to seamlessly find, book, and manage lodging solutions for their workforce crews. The Company has a supply team that manages relationships with existing supply on the platform and is also responsible for addition of new properties and supply. The current revenue model sees property owners providing a best available rate based on volumes to LodgeLink, and LodgeLink effectively selling these rooms at a higher rate, while not taking any speculative risk on room night bookings. Typical net revenue margins are in the 10% to 12% range and likely have room to move higher as volumes continue to grow. Importantly, given LodgeLink's growing volumes, the rate passed onto most customers is typically lower than what the customer would have paid otherwise. Further, a room night is not charged unless there is an actual, confirmed guest. This is a large source of waste and inefficiency for companies that have typically agreed to pay for room nights even if they go unused.

Exhibit 7: LodgeLink



Source: Company Reports

LodgeLink was launched in 2017 and could be a large source of growth for the company going forward. There are several advantages that have helped the growth of the platform, however, the biggest differentiators are the ability to reduce a company's resources dedicated to moving workforces, as well as customization. Companies that need to move large workforces dedicate a considerable number of resources to tracking, deploying, and paying these employees. LodgeLink simplifies this process by providing a "one stop shop" for a variety of workforce solutions. The platform also allows corporate customers to search, book and manage crew travel by location, job site, well ID, or internal purchase orders, making record keeping much simpler. In addition to efficiency, simplicity, and ease of workflow, LodgeLink also only sends one periodic invoice to the corporate customer as opposed to the traditional method which is an invoice for each employee and each room night booking. Lastly, companies using LodgeLink can also keep track of their employees and workforce movement through a duty of care component. There are likely several other future revenue opportunities for this platform such as advertising, or SAAS-like revenue models as the business continues to scale.

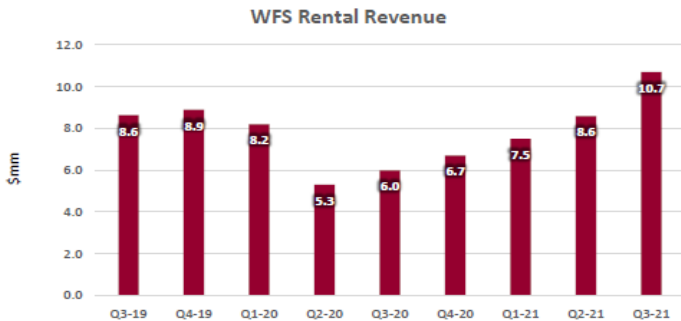
GROWTH STRATEGY

Black Diamond's growth strategy is dependent on a few different revenue drivers.

Rental rates, utilization, and diversification

BDI's rental business is driven by utilization and rental rates. While rental revenue for the MSS business has been consistently growing, the WFS business has been challenged by weakness in the resource sector that has historically made up a considerable portion of its revenue. These challenges came in the form of reduced prices for oil and natural gas, along with regulatory delays and uncertainty in gaining approval to build pipelines and other facilities in Western Canada. While headwinds for the O&G sector appear to be improving, BDI has focused on reducing its dependence on the O&G sector and diversifying into other sectors and capitalizing on operating leverage. The Company is using its existing sales team to actively target additional sectors such as construction, mining, and disaster recovery where the outlook is comparatively stronger. The Company has continued to diversify into additional sectors and geographies, and we would expect to see more normalized utilization and rental rates going forward.

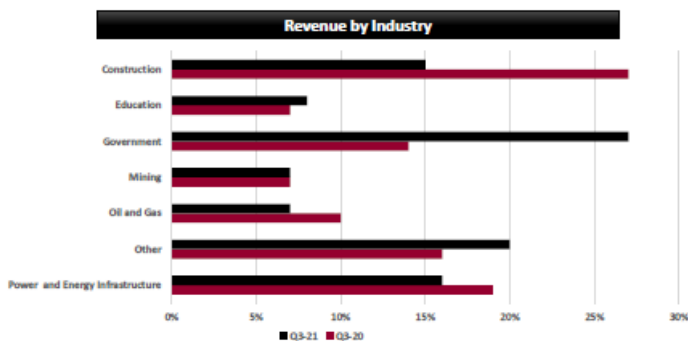
Exhibit 8: WFS Rental Revenue



Source: Company Reports

On a consolidated basis, the Company's revenue streams are diverse, with no single industry a dominant contributor. There is a healthy mix of industries served from construction, government, education, and resources.

Exhibit 9: Revenue Diversity

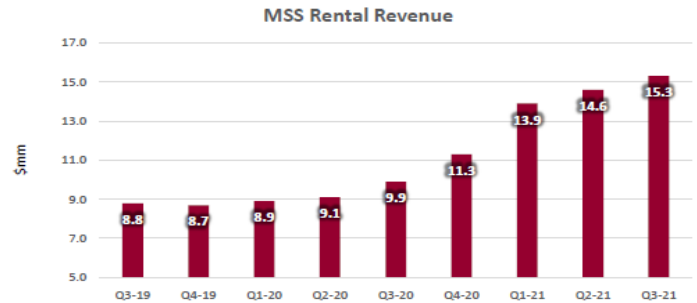


Source: Company Reports

The MSS segment has posted seven consecutive quarterly records in rental revenue as the Company is seeing robust utilization and rental

rates in most of its operating areas. We expect this strength to continue, bolstered by ongoing organic capital expansion and the odd M&A tuck-in deal which has also accelerated growth over the last several years.

Exhibit 10: MSS Rental Revenue



Source: Company Reports

LodgeLink

The Company has been investing in software development for LodgeLink and has begun to gain significant traction since inception in 2017. LodgeLink generates revenue by negotiating room rates with suppliers and selling room nights at a margin on a non-speculative basis. As of Q321, LodgeLink had 605 unique customers and ~6,200 properties, representing ~599,000 rooms.

While the business has experienced some negative headwinds from COVID-19 throughout 2020, the Company still managed to set quarterly records in booking volumes in the third and fourth quarter. This momentum has continued into 2021. The Company believes that continued increases in the customer base will lead to ongoing growth in both bookings and revenue as LodgeLink continues to expand throughout Canada and the United States over the long term. Over time, LodgeLink may also offer ancillary services which would add additional revenue streams to the business model.

Exhibit 11: LodgeLink Growth



Source: Company Reports

Fleet Growth

The Company is targeting MSS net fleet growth of 10% per year and aiming to double its fleet from 2019 to 2023. This growth is anticipated to come from both organic growth and acquisitions. BDI's 2021 capital program calls for net capex of \$25M to \$30M after used asset sales. \$25M (gross) growth capital is allocated to growing the MSS segment. \$4.5M is allocated to WFS, of which \$2.5M is for Australian growth, and \$1.5M for LodgeLink software development.

BDI is also planning on increasing its ancillary services within the MSS segment such as additional site services and rental equipment through VAPS. With economies of scale and the continuation of these value-added products and services the Company is expecting MSS EBITDA growth to outpace its fleet growth.

LNG Canada Contract

Black Diamond was originally awarded a \$42.5M contract with LNG Canada in July 2018. The contract calls for BDI to provide remote workforce accommodations for construction of the Coastal GasLink pipeline in British Columbia. Due to COVID-19 related delays, as well as a change in scope, the overall contract has been upsized to \$65M.

RECENT RESULTS AND OUTLOOK

For Q321, BDI reported consolidated revenue of \$108.8M, adjusted EBITDA of \$19.7M, and core rental revenue of \$26.0M. Consolidated revenue increased 164% y/y while adjusted EBITDA increased 101% y/y and rental revenue increased 64% y/y.

The MSS segment saw its 7th consecutive quarterly record for rental revenue and grew \$5.4M to \$15.3, up 55% y/y. Recurring rental revenue growth was driven by continued fleet growth, robust utilization rates, and continued increase in average rental rates. Adjusted EBITDA of \$12.5M was also a quarterly record and increased 60% y/y.

The WFS segment revenue increased 239% y/y to \$58.6M, driven by increased revenue in rental, lodging and non-rental revenue streams in both North America and Australia. Adjusted EBITDA increased 180% y/y to \$12.6M.

Q321 net debt was \$159.5M, down from \$172.0M in Q420. Excess borrowing capacity under BDI's asset-based credit facility was approximately \$115.8M and the value of the eligible rental assets used for BDI's borrowing base was \$294.8M.

Lastly, and of note, BDI reinstated its quarterly dividend of \$0.0125/share or \$0.05/share annualized.

Company Outlook

For the MSS segment, BDI believes the macroeconomic backdrop remains attractive for the rental fleet, with utilization rates expected to remain strong along with ongoing increases in average rental rates. BDI continues to prioritize capital investment opportunities that provide contracted cash flows at attractive returns. While management expects a modest seasonal pullback due to the holiday period in Q421, expectations for utilization and rental revenue remain strong. Furthermore, while Q421 sales volumes are expected to remain comparatively strong y/y, BDI views Q321 as the high-water mark with respect to sales and non-rental revenue for 2021.

The WFS segment is expected to benefit from BDI's continued focus to diversify by end-market and by geography, as well as continued strength in commodity prices as the pandemic abates. Several previously awarded contracts commenced during Q321, which is expected to result in steady utilization for the workforce accommodations assets throughout Q421 and into 2022. The large increase in WFS non-rental revenue in Q321 was driven by several projects across North America and Australia. Management expects a more normalized cadence of non-rental revenue for the remainder of 2021. However, rental and sales revenues are expected to remain strong.

LodgeLink delivered its highest quarterly gross revenue volume of rooms nights booked in Q321. Total gross bookings grew 98% to \$10.1M y/y as customers across most end markets are increasing travel volumes amid abating COVID-19 related restrictions. Total room bookings for Q321 grew 87% y/y to 60,398. At the end of Q321, LodgeLink had 605 unique corporate customers signed onto the platform with ~ 6,200 properties or 599,000 rooms listed. BDI remains highly optimistic on the future growth potential of LodgeLink as the digital platform continues to scale.

RISKS

End market concentration – BDI's business is dependent on the natural resources industries. Depressed oil and natural gas prices could result in declined levels of investment and activity in O&G mining which would result in decreased revenue to the Company.

Continued pandemic - Any outbreak of the COVID-19 virus, or the like, could result in an economic decline in any of the areas where Black Diamond operates or holds assets. The shutdown of any of these job sites from government or authority figures would pose a severe risk to the Company's cash flows.

Regulatory changes - The Company is subject to several laws, building codes, occupancy codes, and guidelines related to its products. Any regulatory changes that change these codes or regulations relating to building codes, environmental restrictions, or disposal of waste, among others, could have an adverse effect on the Company's revenues from the oil and natural gas sector as well as profit from being forced to make changes to its own products.

Customer contracts - BDI depends on the execution of written contracts with its customers that are generally only cancellable for non-performance. The Corporation generally grants unsecured credit to its customers. If a customer breaks an agreement and is not able to recover the receivables owed, could have an adverse effect on the Company's financial position.

VALUATION

For valuation, we are using a sum-of-the-parts analysis.

Exhibit 12: Comparable Company Analysis

(all figures in \$ USD M, except per share information)

Name	Ticker	Price (1)	Mrkt Cap	EV	EV/Revenue			EV/EBITDA		
					TTM	2021E	5Yr Frwd Avg	TTM	2021E	5Yr Frwd Avg
MSS - Segment										
WillScot Mobile Mini Holdings Corp.	WSC	\$ 39.72	\$ 8,863.7	\$ 11,711.3	6.5x	6.3x	3.7x	21.7x	15.9x	10.4x
McGrath RentCorp	MGRC	\$ 75.36	\$ 1,827.2	\$ 2,284.3	3.9x	3.7x	3.2x	15.4x	9.3x	8.3x
				Average	5.2x	5.0x	3.5x	18.5x	12.6x	9.4x
				Median	5.2x	5.0x	3.5x	18.5x	12.6x	9.4x
WFS - Segment										
Triton International Limited	TRTN	\$ 55.80	\$ 3,725.8	\$ 12,644.5	8.0x	8.2x	7.2x	8.4x	8.3x	8.0x
Target Hospitality Corp.	TH	\$ 3.29	\$ 318.5	\$ 617.3	2.4x	2.2x	2.8x	6.8x	5.5x	6.8x
Dexterra Group Inc.	TSX:DXT	\$ 6.48	\$ 422.0	\$ 505.2	0.9x	0.9x	0.7x	6.8x	8.2x	7.6x
Civ eo Corporation	CVEO	\$ 19.34	\$ 275.6	\$ 548.4	1.0x	1.0x	1.4x	5.7x	5.6x	7.8x
				Average	3.1x	3.1x	3.0x	6.9x	6.9x	7.5x
				Median	1.7x	1.6x	2.1x	6.8x	6.9x	7.7x
LodgeLink										
Booking Holdings Inc.	BKNG	\$2,210.46	\$90,769.2	\$87,254.2	9.5x	8.0x	6.9x	38.5x	31.5x	23.1x
Expedia Group, Inc.	EXPE	\$ 159.31	\$24,139.9	\$29,843.9	4.1x	3.5x	2.3x	NM	21.5x	18.1x
Amadeus IT Group, S.A.	BME:AMS	\$ 62.76	\$28,227.7	\$31,937.0	12.1x	10.1x	6.3x	99.8x	40.4x	18.3x
Despegar.com, Corp.	DESP	\$ 9.13	\$ 594.3	\$ 528.9	2.1x	1.7x	1.6x	NM	NM	14.8x
				Average	7.0x	5.8x	4.3x	69.1x	31.1x	18.6x
				Median	6.8x	5.8x	4.3x	69.1x	31.5x	18.2x
Black Diamond Group Limited	TSX:BDI	\$ 4.20	\$ 243.0	\$ 443.2	1.5x	1.4x	1.5x	8.2x	7.2x	6.5x

(1) Previous day's closing price

(2) Estimates are from Capital IQ except for BDI, which are Stonegate estimates

Source: Company Reports, Capital IQ, Stonegate Capital Partners

We separate Black Diamond into its MSS and WFS business segments, as well as its LodgeLink business. We are using an EV/EBITDA method for the MSS and WFS businesses. For LodgeLink we are using an EV/Revenue method as we believe the business is likely operating at negative EBITDA currently (no public disclosures either). Other assumptions include:

- split corporate costs evenly between MSS & WFS
- EV/EBITDA range of 7.0x – 9.0x with a midpoint of 8.0x for MSS
- EV/EBITDA range of 6.0x – 8.0x with a midpoint of 7.0x for WSS
- EV/Revenue range of 3.0x – 5.0x with a midpoint of 4.0x for LodgeLink on its TTM revenue of \$32.0M

Combining the above assumptions we arrive at a range of \$5.50 to \$8.50, with a mid-point of \$7.00.

Exhibit 13: Valuation Range

	Combined Valuation		
	Low	Mid	High
EV	500.0	593.6	687.2
Less: Net Debt	186.1	186.1	186.1
Equity Value	314.0	407.6	501.2
S/O	57.8	57.8	57.8
Share Price	\$5.43	\$7.05	\$8.66

Source: Company Reports; Stonegate Capital Partners

BALANCE SHEETS

Black Diamond					
Consolidated Balance Sheets (CAD\$ Ms)					
Fiscal Year: December					
ASSETS	FY2019	FY2020	Q1	Q2	Q3
			Mar-21	Jun-21	Sep-21
Assets					
Cash	4.3	3.7	3.0	3.4	5.1
Accounts Receivable	45.8	46.1	50.8	53.2	81.4
Prepaid Expenses and Other Current Assets	7.0	7.7	8.4	10.9	12.1
Total Current Assets	57.0	57.5	62.1	67.5	98.6
Other LT Assets	0.2	3.3	3.0	2.8	2.8
Property and Equipment	327.5	410.0	399.9	398.5	404.6
Right-of-use assets	19.7	18.2	21.8	22.4	21.4
Goodwill and Intangibles	18.1	23.0	21.2	20.6	21.2
Total Assets	\$422.6	\$511.9	\$508.0	\$511.7	\$548.6
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Accounts Payable and accrued liabilities	35.2	32.4	28.3	29.4	50.9
Deferred Revenue	4.0	13.8	14.2	24.0	28.5
Current Portion of Lease Liabilities	5.2	4.6	5.0	6.1	6.6
Total Current Liabilities	44.4	50.8	47.5	59.5	86.0
Long Term Liabilities					
LT Debt	102.4	175.7	172.2	164.5	164.6
Asset Retirement Obligations	17.7	15.1	14.6	14.4	14.5
LT Lease Liabilities	18.7	18.2	21.7	21.3	20.0
Deferred Income Taxes	24.1	25.4	24.1	24.4	26.5
Total Long Term Liabilities	162.9	234.5	232.5	224.6	225.5
Total Liabilities	207.4	285.2	279.9	284.0	311.5
Shareholders' Equity					
Share Capital	378.8	381.9	383.3	384.0	383.6
Contributed Surplus	17.7	18.6	17.4	17.8	18.8
Accumulated other Comprehensive income (loss)	11.8	10.2	8.5	5.9	8.8
Accumulated Deficit	(194.5)	(198.0)	(195.2)	(194.0)	(188.3)
Total Shareholders' Equity	213.8	212.7	213.9	213.7	222.9
Non-Controlling Interest	1.4	14.0	14.1	13.9	14.1
Total Equity (deficit)	215.2	226.7	228.1	227.6	237.1
Total Liabilities and Equity	\$422.6	\$511.9	\$508.0	\$511.7	\$548.6

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENTS

Black Diamond			
Consolidated Statements of Income (in CAD \$ Ms, except per share amounts)			
Fiscal Year: December			
	FY 2019	FY 2020	FY 2021E
Revenue	\$ 185.9	\$ 179.9	\$ 315.3
Direct costs	115.6	107.6	207.5
Gross Profit	70.3	72.2	107.8
Operating expenses			
Administrative expenses	31.0	31.6	46.2
Depreciation and amortization	39.3	33.0	35.7
Share based compensation	3.1	2.9	3.2
Total operating expenses	73.4	67.5	85.1
Operating Income	(3.1)	4.7	22.7
Finance costs	7.6	5.7	5.9
Debt retirement	2.4	-	-
Acquisition costs	0.2	-	-
Income (loss) before tax	(10.6)	(1.0)	16.8
Income tax expense (recovery)	(6.1)	(0.5)	3.5
Net income (loss) before non-controlling	(4.5)	(0.5)	13.4
Profit attributable to non-controlling	0.4	1.1	1.5
Net income (loss)	(7.5)	(3.5)	11.8
Basic EPS (loss)	\$ (0.14)	\$ (0.06)	\$ 0.20
Diluted EPS (loss)	\$ (0.14)	\$ (0.06)	\$ 0.20
Basic shares outstanding	55.3	55.2	57.6
Diluted shares outstanding	55.3	55.2	59.2
Adjusted EBITDA	39.3	40.6	61.6

Source: Company Reports, Stonegate Capital Partners estimates

IN THE NEWS

December 20, 2021– Black Diamond Group Limited Announces Renewal of Asset-Based Credit Facility.

November 02, 2021– Black Diamond Reports Third Quarter 2021 Results.

November 02, 2021 – Black Diamond Limited Reinstates Dividend.

August 04, 2021 - Black Diamond Reports Second Quarter 2021 Results.

May 05, 2021 – Black Diamond Group Reports First Quarter 2021 Results.

April 27, 2021– Black Diamond Group Limited Announces Approval of All Resolutions at 2021 Annual and Special Meeting.

March 30, 2021 – Black Diamond Group Announces \$15 Million Contract in Eastern Canada.

March 04, 2021 – Black Diamond Group Reports Fourth Quarter 2020 Results.

March 04, 2021 – Black Diamond Group Announces Additions to Board of Directors.

February 16, 2021 – Black Diamond Group Announces \$16 Million Australian Contract.

December 16, 2020 – Black Diamond Group and LodgeLink Announces \$3 Million of Funding from the Opportunity Calgary Investment Fund.

December 09, 2020 – Black Diamond Group Announces 2021 Gross Capital Spending Plan of Approximately \$35 Million.

November 30, 2020 – Black Diamond Accelerates Modular Space Solutions Growth with Strategic U.S. Acquisition.

November 3, 2020 – Black Diamond Reports Third Quarter 2020 Results.

October 1, 2020 – Black Diamond and Nova Scotia's Mi'kmaq Communities, in Partnership, Receive Letter of Award for \$720 Million Workforce Lodge.

August 11, 2020 – Black Diamond Reports Second Quarter 2020 Results.

May 12, 2020 – Black Diamond Group Announces Approval of All Resolutions at 2020 Annual Meeting.

May 11, 2020 – Black Diamond Group Investor Update Webcast and Conference Call.

May 05, 2020 – Black Diamond Group Reports First Quarter 2020 Results

March 05, 2020 – Black Diamond Group Reports Fourth Quarter 2019 Results.

CORPORATE GOVERNANCE

Trevor Haynes, Chairman and Chief Executive Officer

Mr. Trevor Haynes cofounded Black Diamond Group in 2003 and has served as its President and CEO since inception. He served as a Principal and the President of Kettleby Investment Management Corporation, from January 2003 to May 2005, and from February 1992 to December 2002, he served as the Director of International Sales and Division Management at ATCO Structures & Logistics Ltd. He has over 20 years of experience in the workforce accommodation, energy services and modular building industries, in various business development and leadership roles, both in North America and internationally. Mr. Haynes graduated from the University of Toronto with a Bachelor of Arts degree in 1991.

Toby LaBrie, Executive Vice President and Chief Financial Officer

Mr. Toby LaBrie has been the Chief Financial Officer and Executive Vice President at Black Diamond Group Limited since March 3, 2016. He also served as the Corporate Controller in 2009 and served as VP of Finance and Controller between 2010 and 2015. Prior to joining Black Diamond Group, Toby was Team Lead of Management Reporting and Budgeting at First Calgary Petroleum, a Calgary-based international oil and gas exploration company. Before that, he held positions in both the audit and financial advisory group at Deloitte. Toby is a CA, CPA and has been a member of the Chartered Professional Accountants of Alberta since 2005. He holds a Bachelor of Commerce degree from the University of Alberta.

Patrick Melanson, Executive Vice President and Chief Information Officer

Mr. Patrick Melanson has served as Chief Information Officer at Black Diamond Group Limited since July 20, 2017 and serves as Chief Technology Officer of Lodge Link at Black Diamond Group Limited. Prior to joining Black Diamond Group, Patrick worked with two large multinational steel and tubulars manufacturers for whom he held North America roles as Senior VP of Product and Resource Management, and VP and CIO. Prior, he worked in senior roles at both Andersen Consulting and Deloitte Consulting. Mr. Melanson received his Bachelor of Commerce degree with a specialization in Management of Information Systems from the University of Calgary, Alberta, Canada, and Program Management Certification from American Graduate University in 1994.

Board of Directors:

Trevor Haynes – *Chairman of the Board*

Robert Wagemakers – *Lead Independent Director*

Robert Herdman – *Independent Director*

Barbara Kelley – *Independent Director*

Brian Hedges – *Independent Director*

Edward Kernaghan – *Independent Director*

Leilani Latimer – *Independent Director*

David Olsson – *Independent Director*

Steven Stein – *Director*

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