



Investor Update



OUR WAY IS TO CREATE A BETTER WAY

April 2020

Investor Relations | investor@blackdiamondgroup.com

Forward Looking Statements



This presentation contains forward-looking statements. The use of the words “anticipate”, “continue”, “estimate”, “expect”, “will”, “project”, “should”, “believe”, “intend” and similar expressions identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Management believes the expectations reflected in those forward-looking statements are reasonable but cannot give any assurance these expectations will prove to be correct. Additional information on risk factors that could affect Black Diamond's operations and financial results are included in Black Diamond's annual information form for the year ended December 31, 2019 and other reports on file with the Canadian Securities Regulatory Authorities which can be accessed on SEDAR. Readers are cautioned not to place undue reliance on these forward-looking statements. Furthermore, the forward-looking statements contained in this presentation are made as at the date of this presentation and Black Diamond does not undertake any obligation to update or revise any of the forward-looking statements, except as may be required by applicable securities laws.

Black Diamond Group – Who We Are



- Innovative specialty rentals and industrial services company with two business units:
 - Modular Space Solutions (MSS)
 - Workforce Solutions (WFS)
 - LodgeLink
- Trades under the TSX symbol BDI



Creating a Better Way



Modular Space Solutions (MSS)

6,353 Units ¹

WorkForce Solutions (WFS)

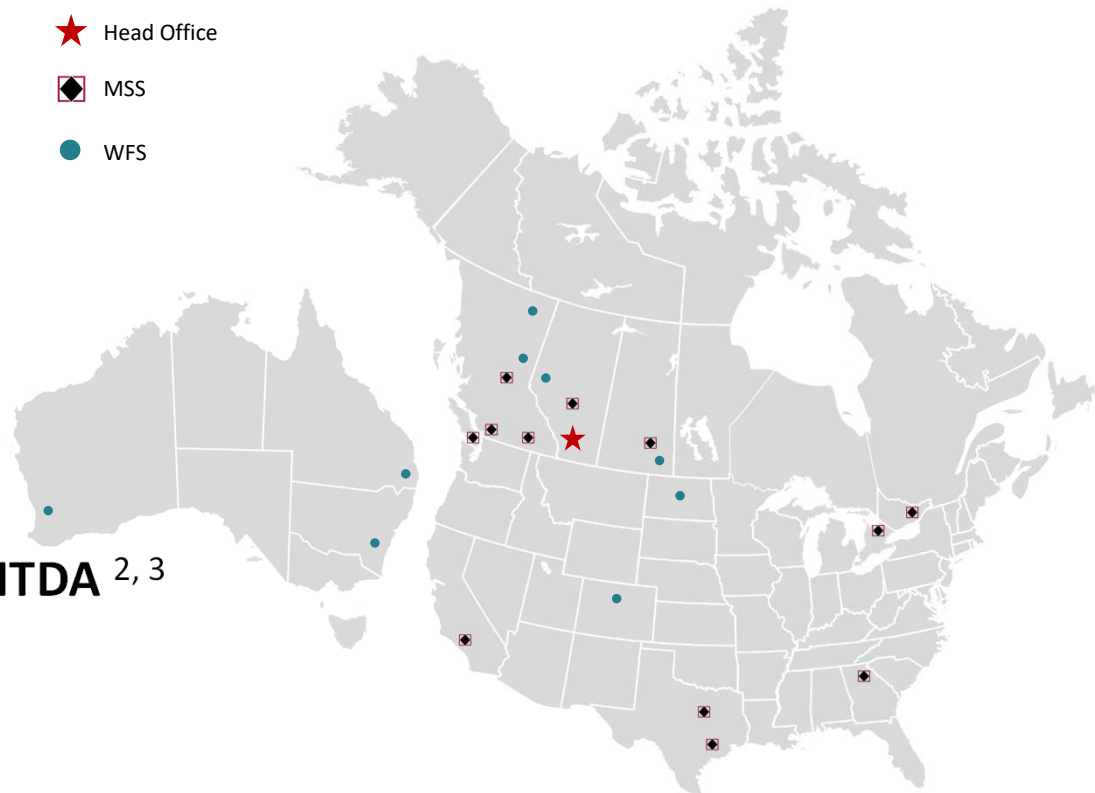
6,233 Units ²

82,000 LodgeLink Bookings ²

\$39.3 mm 2019 Adjusted EBITDA ^{2, 3}

\$327 mm Net Book Value ²

Market Presence



Focused on Growth, Diversity and Improved Returns

1. Source data: Q4 2019 Management, Discussion and Analysis - March 5, 2020, includes assets from Spectrum Acquisition in Jan 2020

2. Source data: Q4 2019 Management, Discussion and Analysis - March 5, 2020

3. See "Non-GAAP Measures" at the end of this document

Sources of Revenue



MSS Business Unit

- Rental Revenue
- Sales Revenue
- Non-rental Revenue



WFS Business Unit

- Lodging Revenue
- Rental Revenue
- Sales Revenue
- Non-Rental Revenue

Key Highlights for 2019

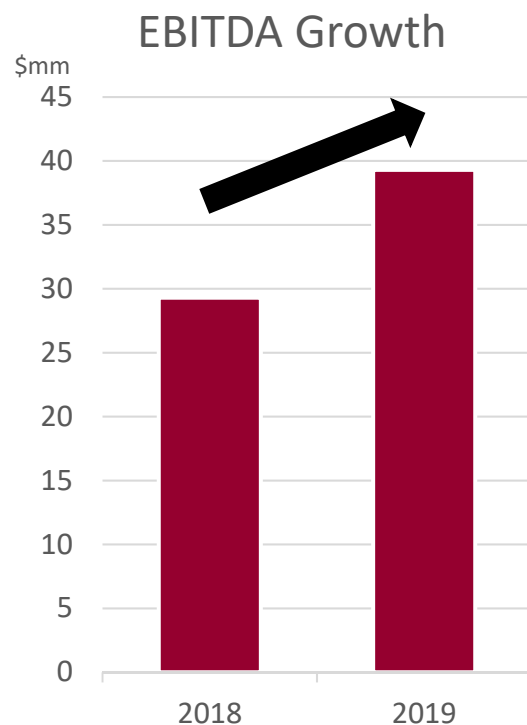


MSS	<ul style="list-style-type: none">• MSS Rental revenue up 13% year-over-year. Value-added Products (“VAPS”) revenue growth outpacing rental revenue growth.• MSS fleet increased by 338 units in 2019, up 6% from December 31, 2018
WFS	<ul style="list-style-type: none">• Awarded \$20 million workforce accommodation contract in California for 1,584 beds• Sukunka River Lodge – officially opened in Q4-19 as a full service turn-key camp, 908 beds for the construction of the Coastal GasLink Pipeline Project<ul style="list-style-type: none">• \$47 mm, 27-month contract, supported by our Indigenous partnership with Black Diamond Cygnus
LodgeLink	<ul style="list-style-type: none">• Over 82,000 total room nights booked in 2019• Over 115,000 properties listed
Corporate	<ul style="list-style-type: none">• Announced \$200 million asset-based credit facility in October 2019

2019 Performance

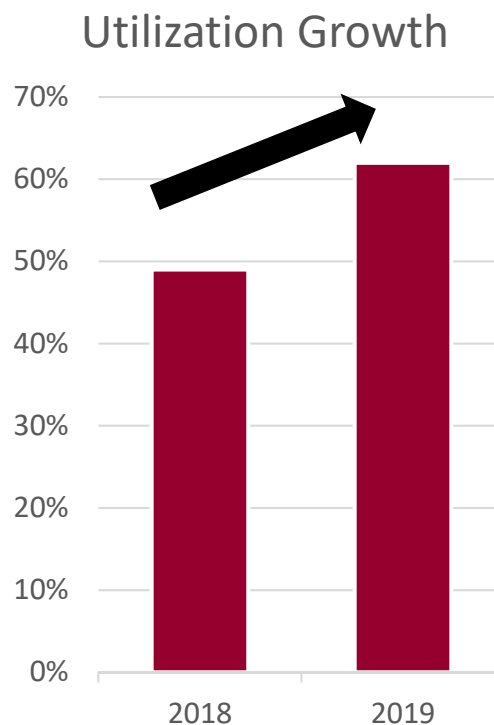


Profitability

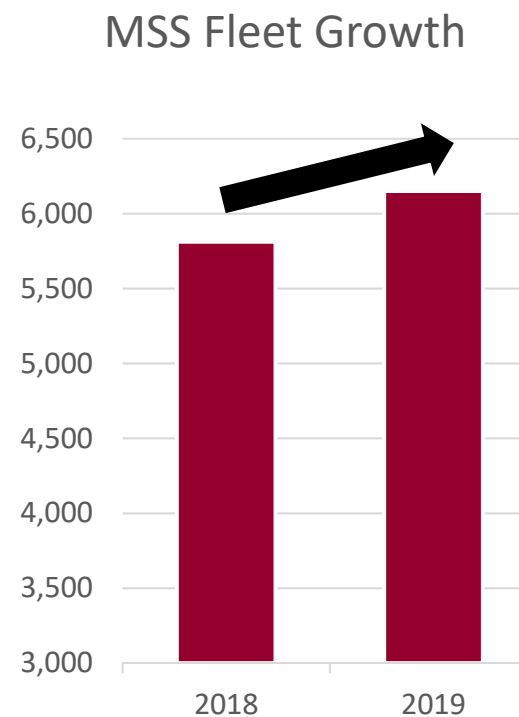


Capitalize on Operating Leverage

Focus on putting idle assets to work



Fleet Growth



Core Objectives – 2020 and Beyond



MSS

Scale and Diversify

- Grow market presence, introduce new products, and increase VAPS

YTD: Announced the Spectrum Acquisition in January 2020

WFS

Drive Profitability

- Reach new target markets and diversify by customer to increase utilization

YTD: Continued to secure a number of projects in eastern Canada with previously idle assets

LodgeLink

Growth

- Increase our room capacity, customer base and room bookings
- **YTD:** Approximately 130,000 rooms available (up from 115,670 at Dec 31, 2019)

Corporate

Operational Excellence

- Continue to focus on improving operational efficiencies, advance product standardization, increase R&M efficiency and the life cycle of our assets

Shareholder Value

- Demonstrate and communicate the diversified nature of the cash flows generated by Black Diamond

YTD: 2020 Capital Spending Plan of \$35 million (gross)

YTD: Announced Normal Course Issuer Bid (“NCIB”)

Current Volatility & COVID-19 Response



Pro Active Measures - Operations

- Increasing the cleaning regimen and number of sanitizing stations at facilities.
- Pre-screening all guests and visitors.
- Providing separation in facilities and dining rooms in accordance with recommended social distancing protocols.
- Eliminating buffets and replacing with pre-packaged meals.

Pro Active Measures - Corporate

- Ample liquidity of over \$75 million through covenant light, four-year committed, ABL credit facility.
- Monitoring counter-party credit and collections in anticipation of slowing payables by customers.
- Deferring growth capex and fleet orders through Q2 into Q3.

Potential Opportunities

- Have secured projects throughout our platform as customers are looking for increasing square footage or additional facilities to comply with social distancing measures.
- Seeing an influx of requests throughout our platform for MSS and WFS assets for testing, quarantine and other related facilities.
- ~100 projects of various size in bid/quote/qualification stage.

Ongoing COVID-19 Projects



Grey Bruce Hospital

"Thank you so very much for all the hard work you and your staff did to get the trailer to our site so quickly, your efforts are very much appreciated, by our entire organization. The trailer is being used as an Assessment Center, to screen people for Covid -19 before they enter our Emerg Dept. to prevent our Docs and Nurses from being overwhelmed. So far this process has been a huge success and is working better than we could have imagined. " - Grey Bruce Hospital



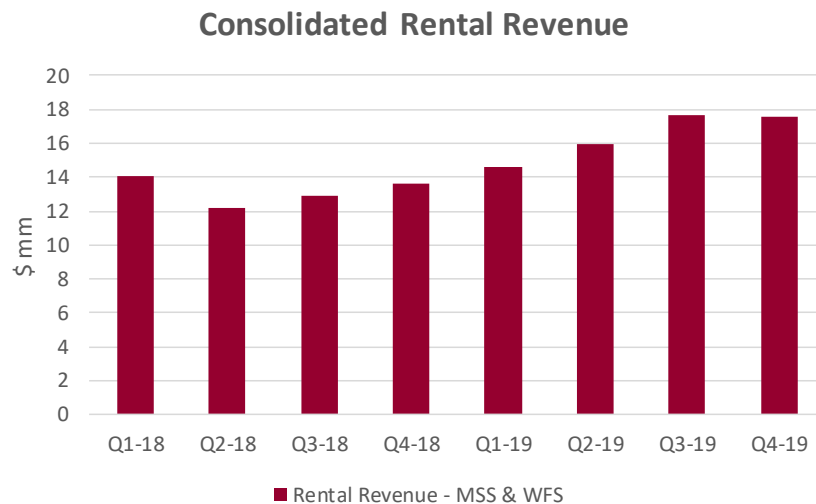
Indigenous Services Canada

"On behalf of ISC, we would like to thank you and the team for expediting this contract and ensuring that Canadians living in the remote areas will be safe during this pandemic." - Indigenous Services Canada

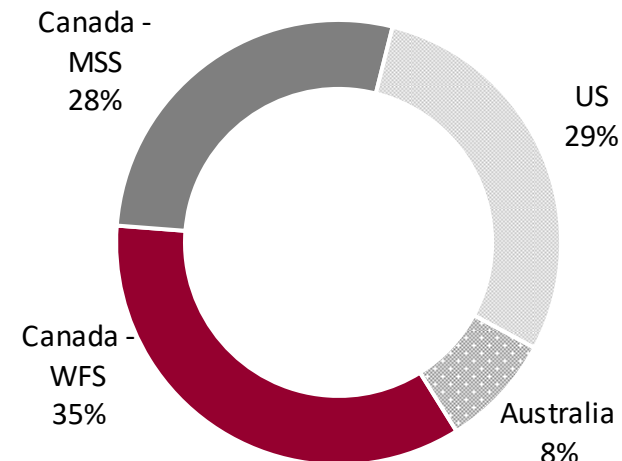
Q4-19 Results Show Increased Diversity



- ~65% of Q4 revenue generated outside of western Canadian energy sector
- Diversification geographically and by industry segment



Q4-19 Geographical Diversification
(% of Total Revenue)

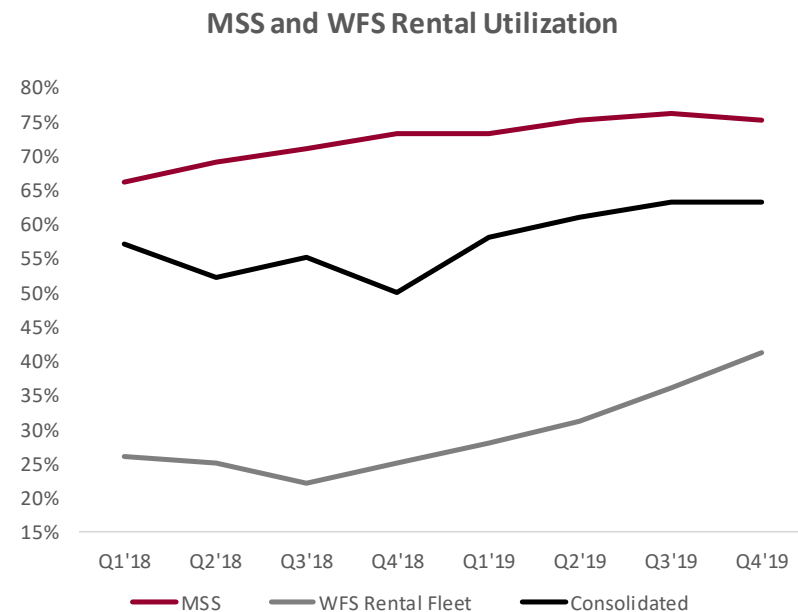


- Sixth sequential quarter of consolidated rental revenue growth

Q4-19 Result: Rental Utilization Improving



- Black Diamond utilization continued to improve with diversification in geography and industries
- MSS rental fleet had strong and consistent utilization
- WFS rental utilization increased with diversification of assets outside of western Canada
- WFS utilization should continue to be supported by previously announced \$47 mm full turnkey project, with over half the assets mobilized



MSS Overview



Modular Space Solutions

- 6,353 units across 13 branches in North America with attractive returns on long-lived assets
- Targeting net fleet growth of 10% per year. With added scale and additional product offering, return metrics expected to improve
- Longer term vision to double MSS fleet in five years

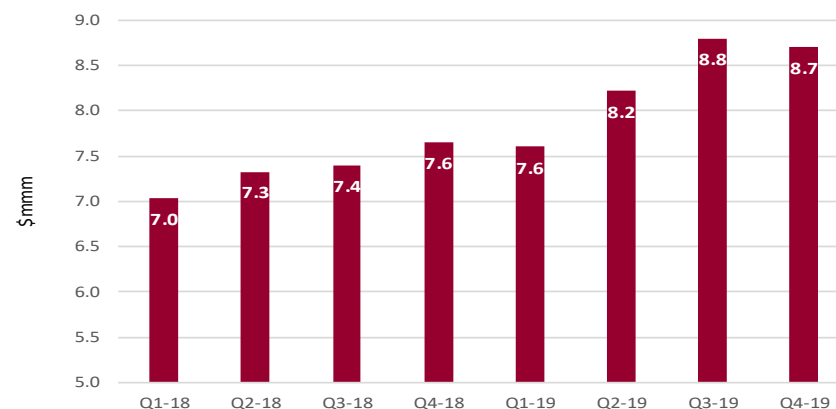


MSS Overview – Revenue Detail

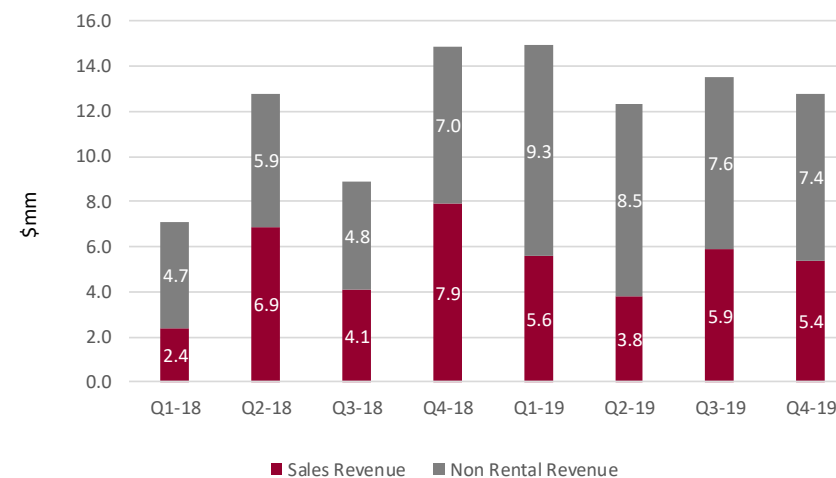


- Rental revenue up 14% from Q4-18
- Strengthening rental revenue driven by continued capital investment, higher rates, improving utilization in Canada, and VAPS penetration
- Non Rental driven by increased installation and dismantle activity in 2019

MSS Rental Revenue



MSS Sales & Non Rental



MSS Overview



Modular Space Solutions

- Strong economic tailwinds in BC, Ontario, and the US
- Recovery in Alberta utilization with Y/Y improvement
- 2019 gross capital of \$21 mm
- 2020 gross capital of ~\$25 mm



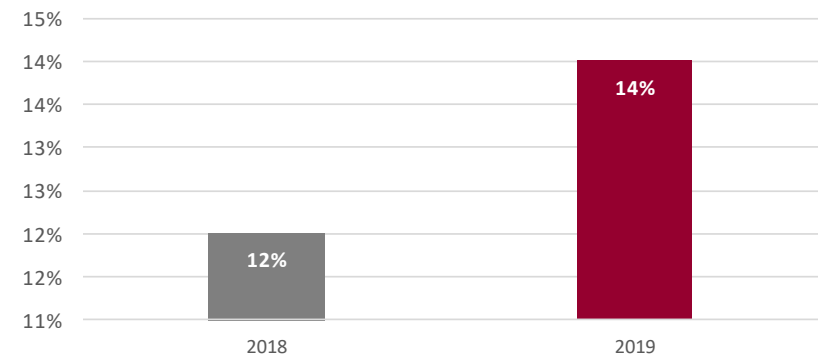
MSS Overview – VAPS Penetration



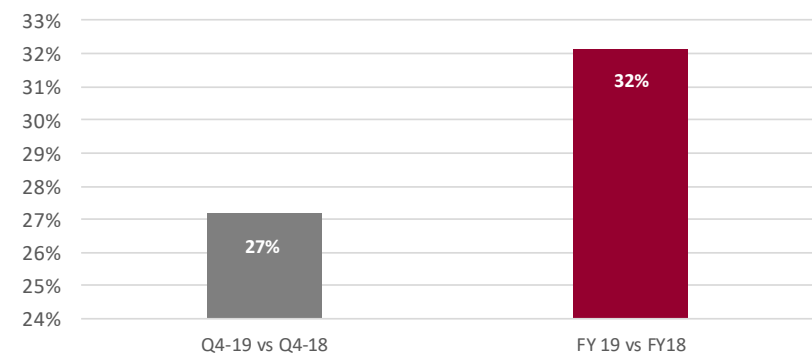
- Value Added Products & Services (VAPS) penetration and revenue growth continues to trend positively



VAPS as a % of Rental Revenue



VAPS Revenue Growth



WFS Overview



Workforce Solutions

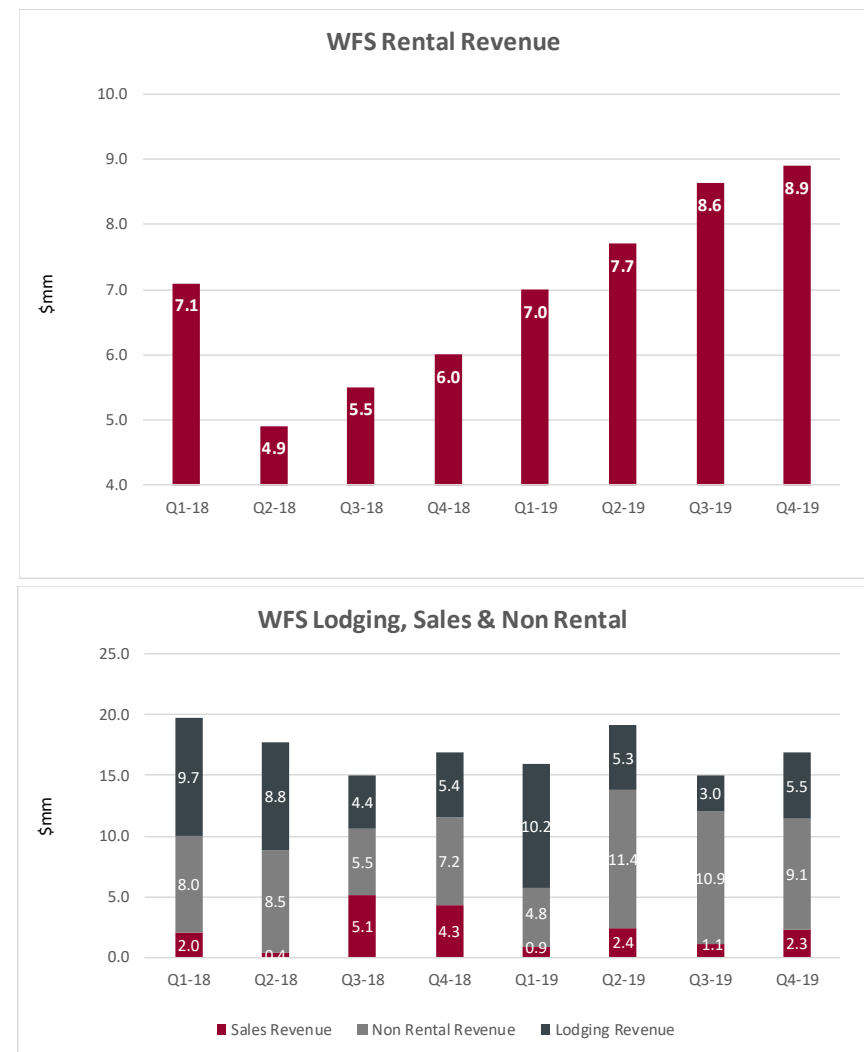
- Continuing to diversify and capitalize on operating leverage
- US and Australia markets remain robust
- LNG Canada is a significant catalyst. A handful of other large energy infrastructure projects in Canada would quickly change supply/demand fundamentals
- 2020 WFS gross capital of \$8 mm



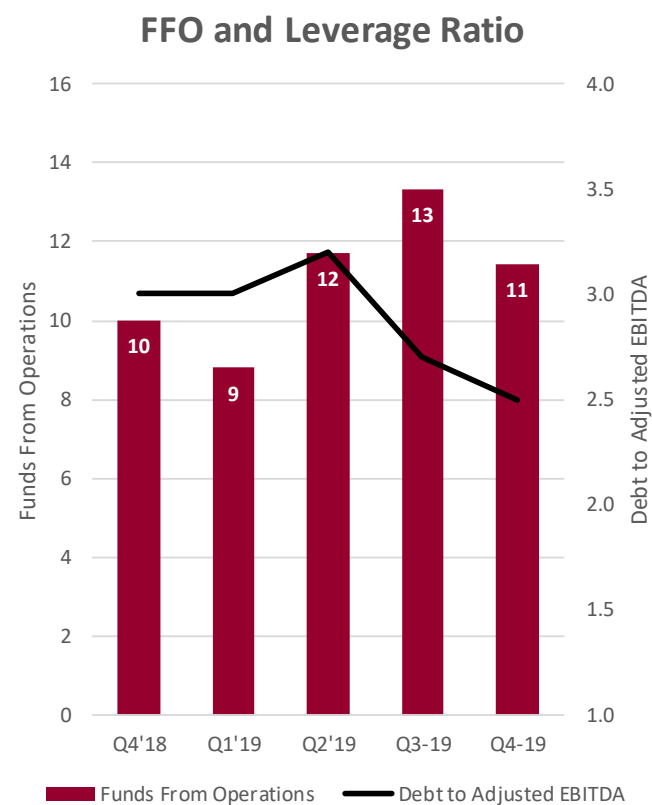
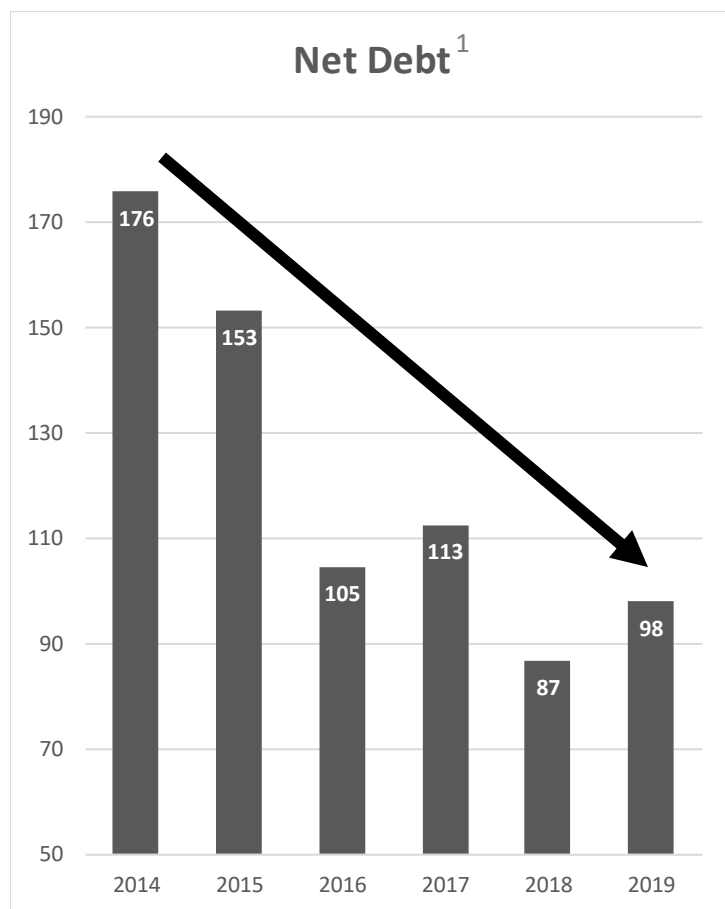
WFS Overview – Revenue Detail



- Rental revenue recovering off of bottom as utilization improves
- Secured a number of projects in eastern Canada, providing customer and geographical diversification
- Lodging is expected to recovery with infrastructure and other developmental projects



Creating Financial Flexibility

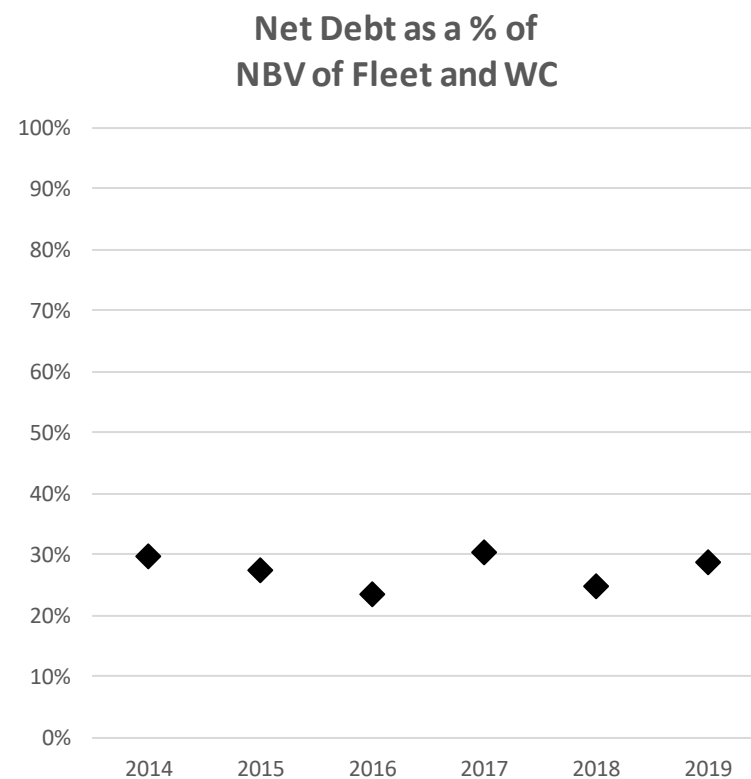
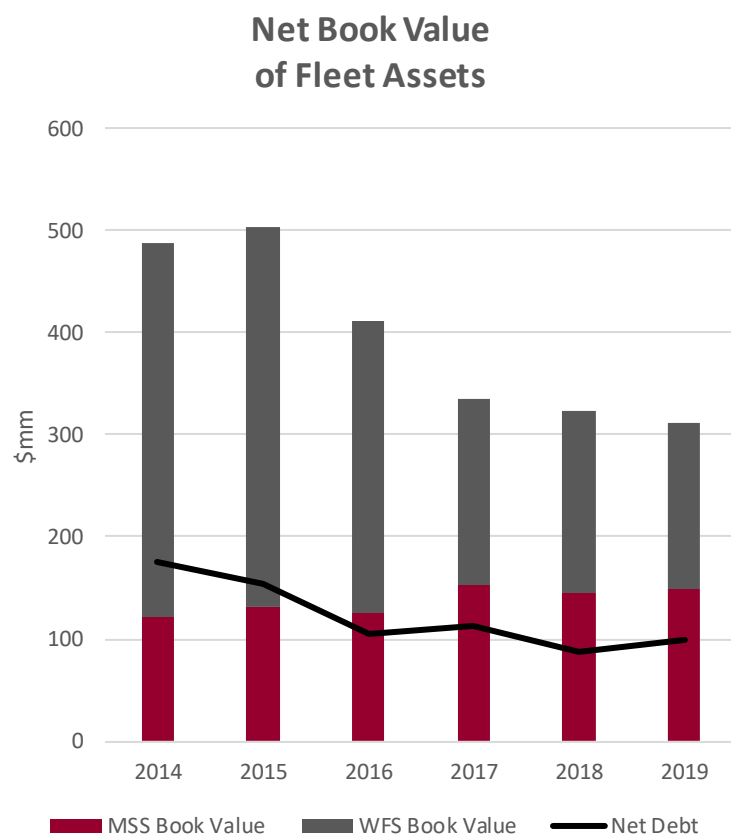


1. See "Non-GAAP Measures" at the end of this document.

Significant Asset Coverage Against Debt



- Net debt¹ remains well below hard asset coverage on a net book value basis



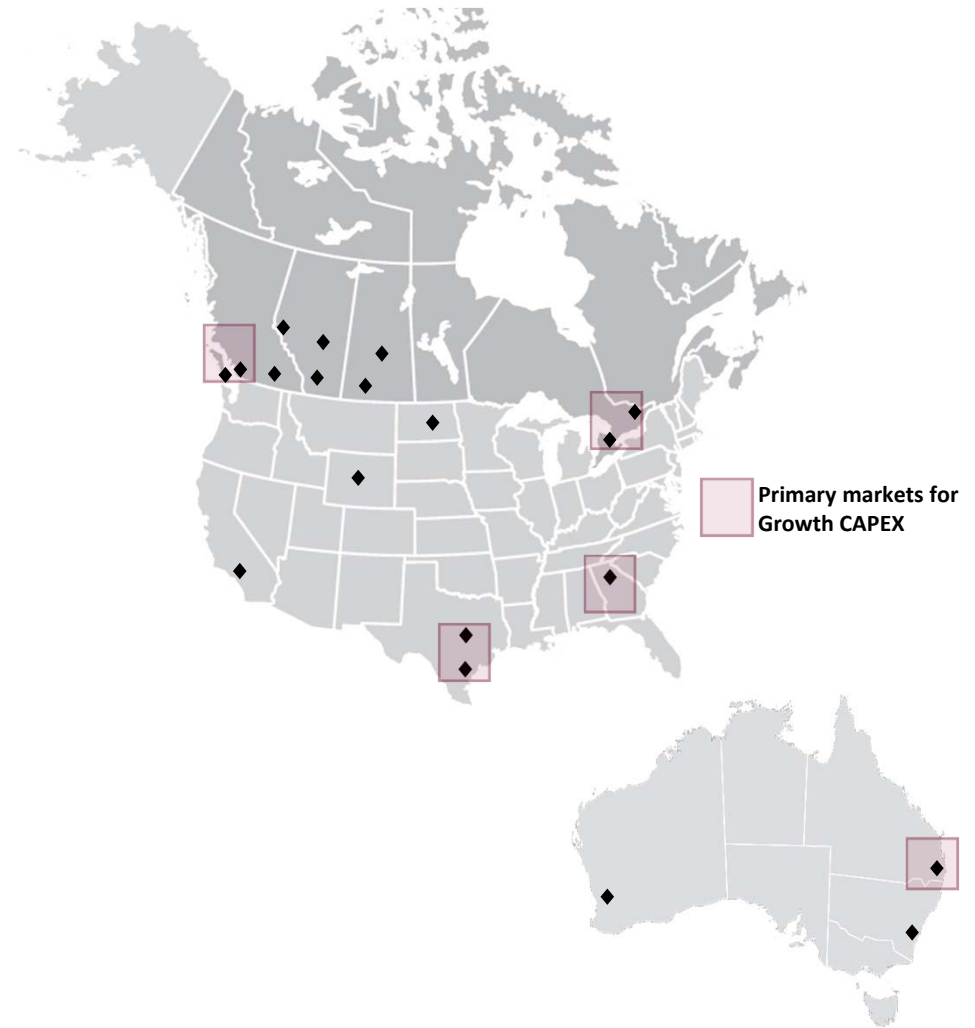
1. See "Non-GAAP Measures" at the end of this document.

Growth Through Disciplined Capex



2020 Capital Program

- Capex budget of ~\$35 mm (gross).
Net capex of \$25 to \$30 mm after
used asset sales.
- MSS: ~\$25 mm (gross) growth capital
to be allocated across North American
footprint
- WFS: \$8 mm growth capital
 - Continued Australian growth
 - US Energy Services initiatives
 - Modest capital for LodgeLink
platform development



LodgeLink Gaining Market Traction



Multi-sided B2B platform focused on crew travel

- Custom-built platform to remove inefficiency at every stage of crew travel process.
- Very fragmented market with low-tech tools used by customers and competitors



\$60 -100 billion market opportunity

- Customers exist in extremely diverse industries and geographies share the same challenges. No worldwide market leader in this space.



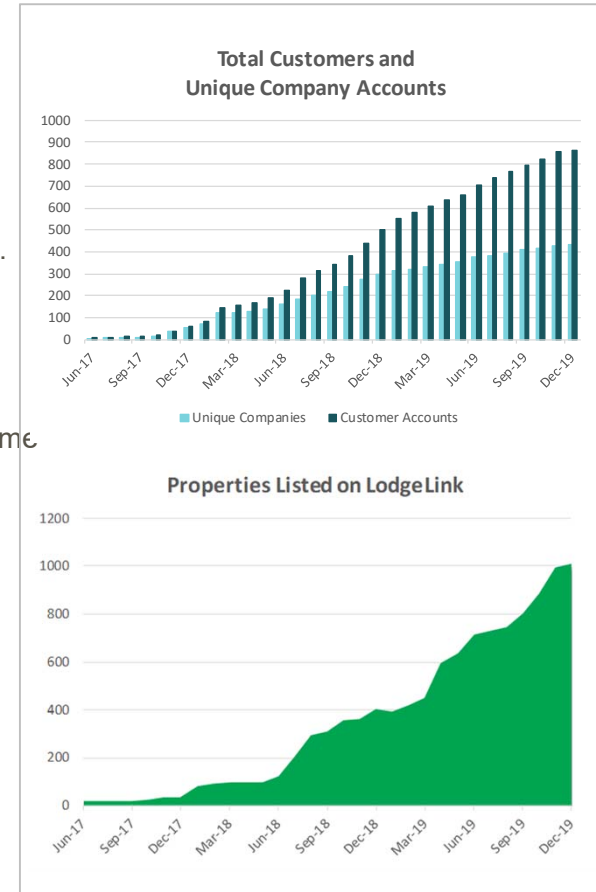
Over 190,000 room nights booked (up until Dec. 31, 2019)

- Operations to date primarily focused on small operating footprint in Western Canada.



Customers validating all aspects of long-term vision

- Meaningful customer growth
- Positive feedback loop developing with certain clients on product improvement and development



As of Dec. 31, 2019

Total Properties Listed	1,055
Total Rooms Listed	115,670
Total Customers	865
Total Unique Customers	443
Employees	32

LodgeLink- What is Crew Travel?



DEMOGRAPHIC CRITERIA	CORPORATE TRAVEL	CREW TRAVEL
Nature of job	White-collar	Blue-collar field workers, tradespeople
Primary places traveled to	Major urban areas	Secondary/tertiary markets
Reason to travel	Meetings, Conferences	They generally don't work on projects where they can sleep at home
Frequency of travel	Typical corporate traveler travels 1-5 days per month	Typical crew member travels 15-20 days per month
Length of stay	1-2 nights	5-45 nights, often with days on/off
Number of people traveling together	1-2 people	5-45 people

The Problem



At LodgeLink, we believe crew travel is a mission critical task that is inherently difficult.

Crew Travel has been largely untouched by recent technology transformation, but now demands a modern platform that removes frustration and inefficiency from the process.

We are on a mission to improve every aspect of crew travel, leading to travelers who delight in a seamless experience and travel program owners who have the visibility and control they've always wanted.



Booking & Searching

- Booking 5 – 45 people at a time
- Finding adequate accommodations and travel services into remote areas
- Managing unpredictable timing for specific jobs or projects and constantly changing shifts

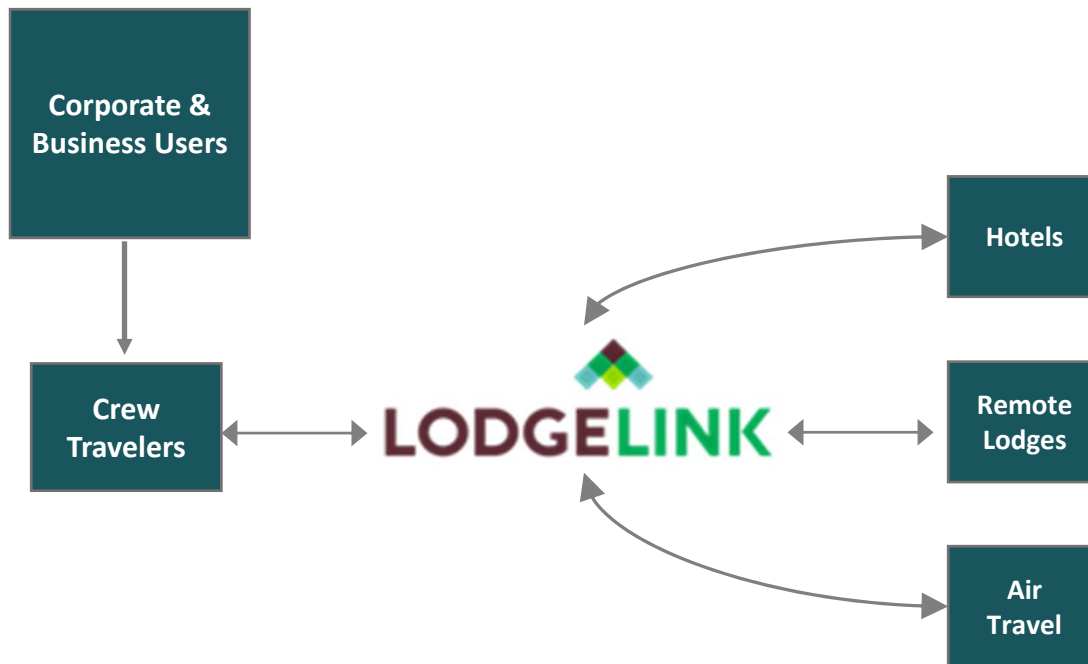
Billing & Administration

- Managing, tracking, and paying travel & accommodation costs by individual/reservation is a large administrative burden
- Lack of transparency between prime and sub contractors can lead to costly mark-ups

LodgeLink – The Value Proposition



Improve every step of the crew travel process



- **B2B Marketplace** to book and manage crew travel
- **Booking Flow** curated to the unique needs of crew travel
- **Powerful Payment Options** for businesses to track and pay invoices more efficiently
- **Interactive Reporting** analyze and understand their spending patterns
- **Efficient Invoicing** gives companies the ability to consolidate into one invoice and/or track by job code or AFE.
- **Extension of Credit:** net 30 payment terms vs. credit cards used at time of booking

LodgeLink Market Opportunity



Global Business Travel (Globally, Per Year)



Target Market



Workforce Crew Travel (Globally, Per Year)



Annual Spend (\$billions)	2019	2022 Est.
USA	65	71
Canada	6	7
Australia	6	7
South America	13	14
Rest of World	230	244

Countries listed above are areas where LL Management team has extensive knowledge and experience with crew travel

Estimates of market size are based on Energy Resource Marine sub-sector of Global Business Travel Association. Addressable market is larger than estimated above to the extent that general construction, transportation, and sports teams are considered crews.

LodgeLink Timeline & Evolution

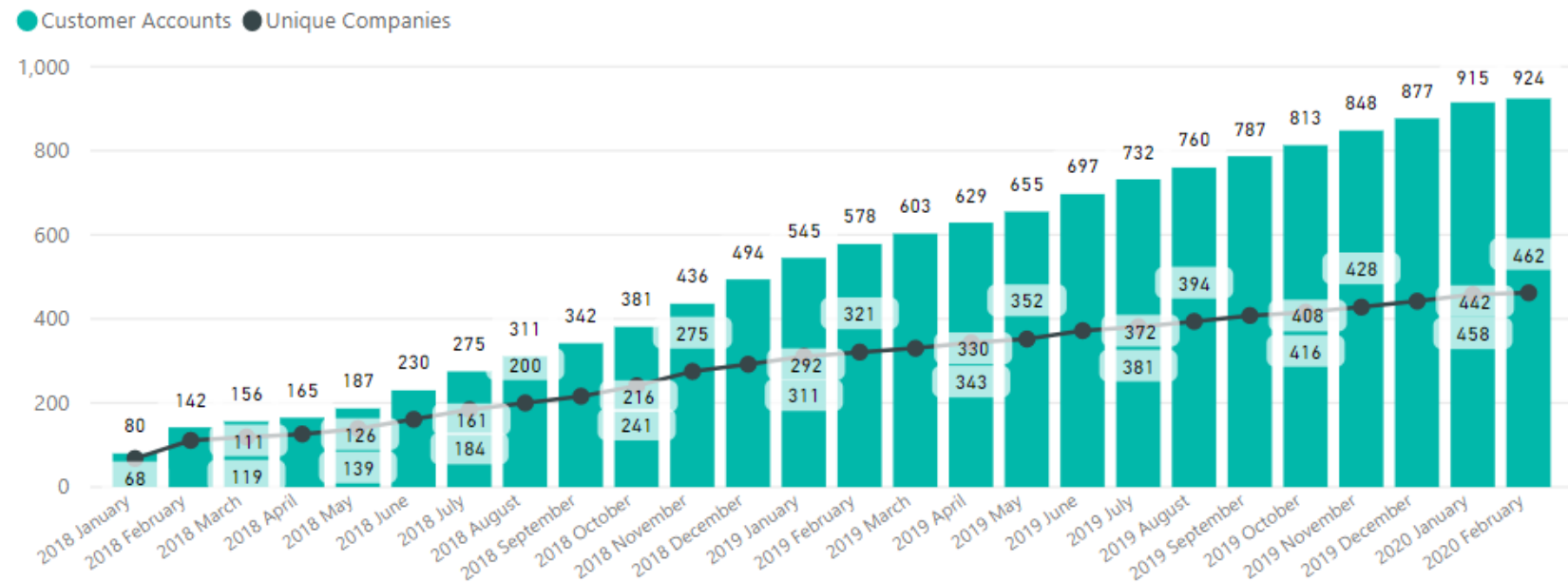


	2017	2018	2019
Status of Product	<p>Concept development, discussions with customers and suppliers.</p> <p>Bought off-the-shelf system for \$500 and customized as necessary.</p>	<p>Continued customization including crew lists, map enhancements to support remote areas.</p> <p>Planning and development of LodgeLink 2.0</p>	<p>Launch of LodgeLink 2.0 with improved foundation. Interactive Reporting. Initial GDS integration.</p> <p>Acquired 3-person travel agency</p>
	\$20K invested	\$1.9m invested	\$2.0 mm invested
Size of Team	3 FTE	6 FTE	32 FTE
Size of Network	60 Customers	291 Customers	443 Customers
	55 Properties	402 Properties	1,055 Properties
	Entirely focused on Western Canada	Entirely focused on Western Canada	Expand into Texas and select states
	19,500 room nights booked \$3.2 mm Gross Booking Revenue	83,600 room nights booked \$16.4m Gross Booking Revenue	~82,700 room nights booked ~\$15.1 mm Gross Booking Revenue

LodgeLink Customer Adoption



Total Customer Accounts



EPC's & Construction

Oil & Gas

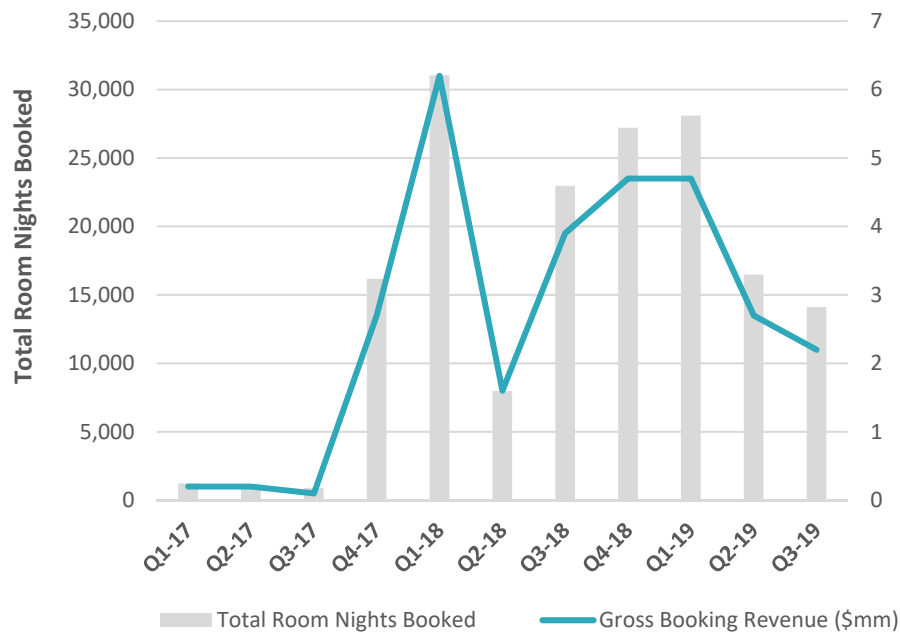
Travel Management & Safety

Transportation

LodgeLink Customer Adoption

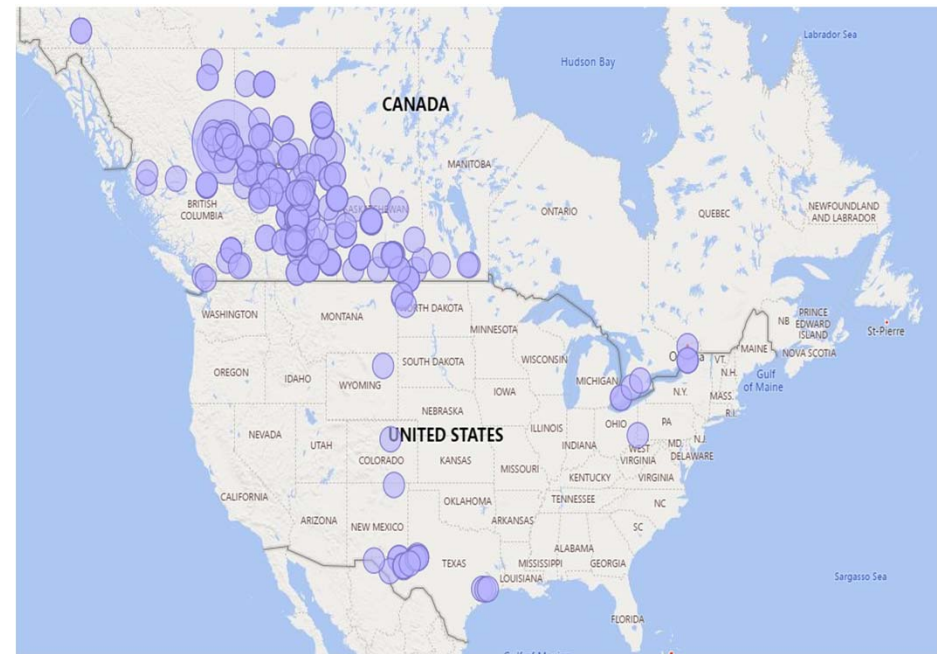


Room Nights Booked & Gross Booking Revenue



- 2018 bookings and gross revenue positively impacted by a handful of customers or specific projects

Room Bookings Heat Map

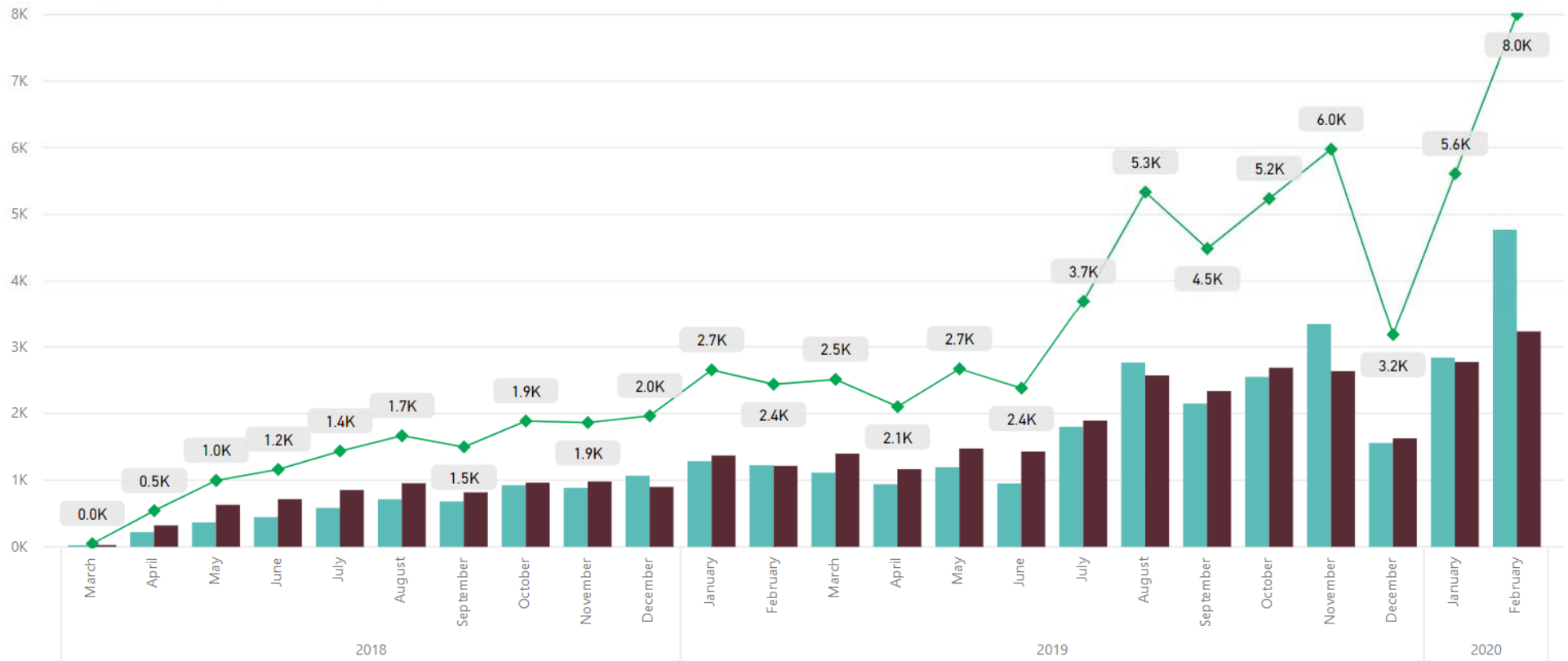


- Recent snapshot of room bookings shows increasing geographic diversification
- Seasonality expected to be reduced as bookings gain traction in Eastern Canada and the U.S.

LodgeLink Website Visits



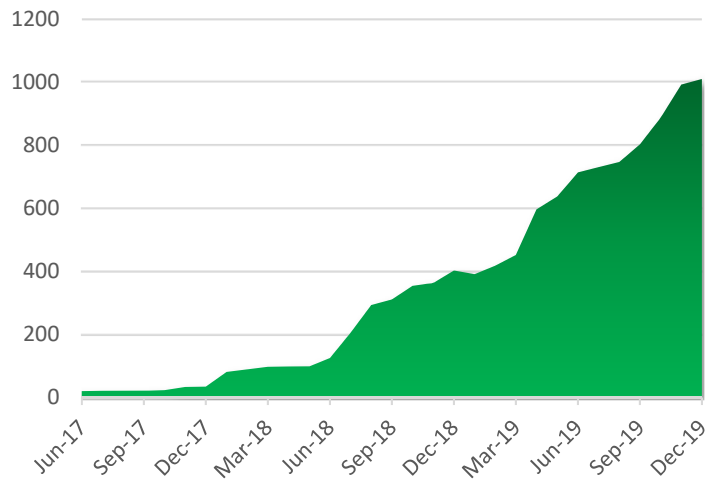
User Type ● New Visitor ● Returning Visitor ◆ Total Visits



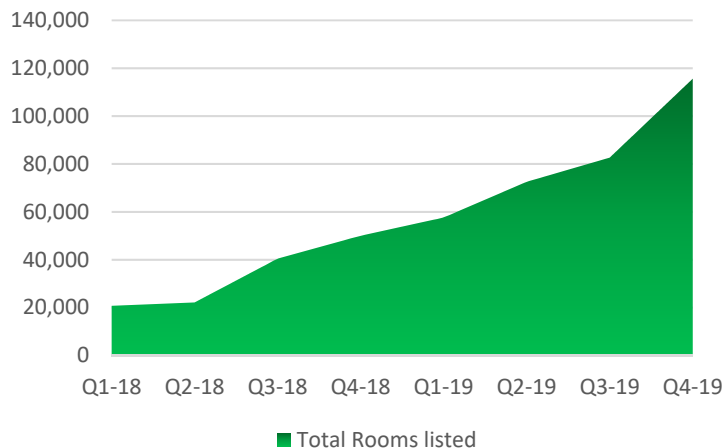
LodgeLink Supplier Adoption



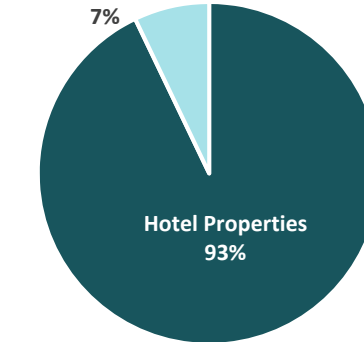
Properties Listed on LodgeLink



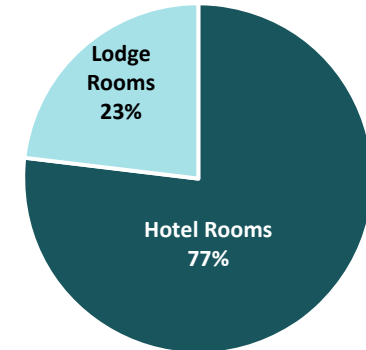
Total Rooms Listed



Lodge Properties



Lodge Rooms



Hotels



Lodges



Ramada by Wyndham, Best Western, Microtel Inn & Suites, Days Inn, Super 8, Canalta, Pomeroy, La Quinta

Civeo, Right Choice, Black Diamond, Aries Residences Suites, Horizon North, GNS, Target Logistics, Permian Lodging

Today we are...

A two-sided platform for crew accommodations.

Our vision is to be...

A multi-sided digital platform for crew travel that is fully immersed in the daily operations of our stakeholders.

Members of our community will delight in the efficiencies gained and insights unlocked by our platform.

Black Diamond Investment Attributes



Grow

- MSS targeting 10% annual fleet growth
- MSS EBITDA growth to outpace fleet growth driven by economies of scale, VAPS and other service offerings
- LodgeLink platform continues to expand

Diversify

- Growing revenue base from US and Australian markets in both MSS and WFS product offerings
- LodgeLink digital marketplace expanded into US, as customers and listed properties continues to grow

Improve Returns

- Addition of capital light products and services to improve rates of return on new and existing capital assets
- Capitalize on significant operating leverage in underutilized Canadian WFS asset base
- Recently closed Asset Based Lending facility provides flexible, low-cost debt to grow MSS business

Non-GAAP Measures



- **Adjusted EBITDA** is not a measure recognized under IFRS and does not have standardized meanings prescribed by IFRS. Adjusted EBITDA refers to consolidated earnings before finance costs, tax expense, depreciation, amortization, accretion, foreign exchange, stock-based compensation, acquisition costs, non-controlling interests, share of gains or losses of an associate, write-down of property and equipment, impairment, restructuring costs, and gains or losses on the sale of non-fleet assets in the normal course of business.
- **Funds from Operations** is calculated as the cash flow from operating activities excluding the changes in non-cash working capital. Management believes that Funds from Operations is a useful measure as it provides an indication of the funds generated by the operations before working capital adjustments. Changes in non-cash working capital items have been excluded as such changes are financed using the operating line of Black Diamond's credit facilities.
- **Net Debt** is calculated as long-term debt excluding deferred financing costs minus cash.



BLACK DIAMOND
GROUP

THANK YOU

4/6/2020

Investor Relations | investor@blackdiamondgroup.com