UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and six month periods ended June 30, 2013 and 2012

BLACK DIAMOND GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (unaudited)

as at June 30, 2013 and December 31, 2012

(Expressed in thousands)	2013	2012
	$	$
ASSETS		
Current		
Cash and cash equivalents (note 5)	14,757	2,697
Trade and accrued receivables	70,987	76,578
Prepaid expenses and other current assets	3,787	7,598
Income taxes receivable	1,057	—
	90,588	86,873
Non-Current		
Long-term receivables	616	2,708
Investment (note 3)	1,660	—
Property and equipment (note 4)	468,885	423,281
Intangible assets	12,931	9,757
Goodwill	39,843	34,577
	614,523	557,196
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	32,919	39,486
Due to related parties	569	1,174
Dividends payable	2,939	2,472
Income taxes payable	—	8,524
	36,427	51,656
Non-Current		
Long-term debt (note 5)	144,516	96,359
Risk management liability	993	1,324
Asset retirement obligations	3,022	1,955
Deferred income taxes	49,773	44,821
	234,731	196,115
Shareholders' equity		
Share capital (note 6)	318,185	309,140
Contributed surplus	4,265	4,431
Non-controlling interest	5,928	5,274
Accumulated other comprehensive loss	(5,199)	(3,285)
Retained earnings	56,613	45,521
	379,792	361,081
	614,523	557,196

See accompanying notes to the unaudited condensed consolidated interim financial statements

CONSOLIDATED STATEMENT OF NET INCOME (unaudited)

for the three month and six month periods ended June 30,

(Expressed in thousands, except per share amounts)	Three month period ended June 30 2013	2012	Six month period ended June 30 2013	2012
	$	$	$	$
Revenue (note 8)	71,071	61,974	162,051	120,931
Direct costs	29,633	27,676	69,093	53,033
Gross Profit	41,438	34,298	92,958	67,898
Expenses				
Administrative expenses (note 9)	13,186	8,697	25,479	16,416
Depreciation of property and equipment	12,388	7,895	23,212	15,209
Amortization of intangibles	501	220	721	440
	26,075	16,812	49,412	32,065
Operating profit	15,363	17,486	43,546	35,833
Finance costs	1,837	1,317	3,514	2,703
Income before income taxes	13,526	16,169	40,032	33,130
Income tax				
Current	1,786	1,617	6,424	4,737
Deferred	1,530	2,352	3,520	3,392
	3,316	3,969	9,944	8,129
Net income before non-controlling interest	10,210	12,200	30,088	25,001
Net income attributable to non-controlling interest	1,264	1,224	2,334	982
Net income	8,946	10,976	27,754	24,019
Net income per share (note 7)				
Basic	0.21	0.29	0.67	0.64
Diluted	0.21	0.28	0.66	0.62

See accompanying notes to the unaudited condensed consolidated interim financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

for the three month and six month periods ended June 30,

(Expressed in thousands)	Three month period ended June 30		Six month period ended June 30	
	2013	**2012**	**2013**	**2012**
	$	**$**	**$**	**$**
Net income	8,946	10,976	27,754	24,019
Items that can be reclassified to profit or loss in subsequent periods:				
Realized loss of derivative designated as cash flow hedge (net of tax)	(112)	(344)	(225)	(227)
Unrealized gain on derivative financial instrument designated as cash flow hedge (net of tax)	297	344	474	539
Translation adjustment	(3,705)	804	(2,163)	(350)
Other Comprehensive Income/(Loss)	(3,520)	804	(1,914)	(38)
Total comprehensive income	5,426	11,780	25,840	23,981

See accompanying notes to the unaudited condensed consolidated interim financial statements

BLACK DIAMOND GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY(unaudited)

for the six month periods ended June 30, 2013 and June 30, 2012

(Expressed in thousands)	Share Capital	Contributed Surplus	Non-Controlling interest	Accumulated Other Comprehensive loss	Retained earnings	Total
	$	$	$	$	$	$
January 1, 2012	**240,350**	**4,778**	**1,359**	**(2,889)**	**25,811**	**269,409**
Net income for the period	—	—	982	—	24,019	25,001
Realized derivative gain (net)	—	—	—	(227)	—	(227)
Unrealized gain on derivative instrument (net)	—	—	—	539	—	539
Translation adjustment	—	—	—	(350)	—	(350)
Dividends declared	—	—	—	—	(12,872)	(12,872)
Capital transactions with partners	—	—	556	—	—	556
Share capital issued on exercise of options	9,103	(3,029)	—	—	—	6,074
Purchase of shares in trust (note 6)	(993)	—	—	—	—	(993)
Sale of shares in trust (note 6)	90	10	—	—	—	100
Vesting of shares in trust (note 6)	136	(136)	—	—	—	—
Share based compensation expense (note 6)	—	1,456	—	—	—	1,456
June 30, 2012	**248,686**	**3,079**	**2,897**	**(2,927)**	**36,958**	**288,693**
January 1, 2013	**309,140**	**4,431**	**5,274**	**(3,285)**	**45,521**	**361,081**
Net income for the period	—	—	2,334	—	27,754	30,088
Realized derivative loss (net)	—	—	—	(225)	—	(225)
Unrealized gain on derivative instrument (net)	—	—	—	474	—	474
Translation adjustment	—	—	—	(2,163)	—	(2,163)
Dividends declared	—	—	—	—	(16,662)	(16,662)
Capital transactions with partners	—	—	(1,680)	—	—	(1,680)
Share capital issued on exercise of options (note 6)	9,185	(1,726)	—	—	—	7,459
Purchase of shares in trust (note 6)	(600)	—	—	—	—	(600)
Sale of shares in trust (note 6)	65	(1)	—	—	—	64
Vesting of shares in trust (note 6)	395	(395)	—	—	—	—
Share based compensation expense (note 6)	—	1,956	—	—	—	1,956
June 30, 2013	**318,185**	**4,265**	**5,928**	**(5,199)**	**56,613**	**379,792**

See accompanying notes to the unaudited condensed consolidated interim financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

for the three month and six month periods ended June 30,

(Expressed in thousands)	Three month period ended June 30 2013	2012	Six month period ended June 30 2013	2012
	$	$	$	$
Operating activities				
Net Income	8,946	10,976	27,754	24,019
Add (deduct) non-cash items:				
Depreciation of property and equipment	12,388	7,895	23,212	15,209
Amortization of intangible assets	501	220	721	440
Net income/(loss) attributable to non-controlling interest	1,264	1,224	2,334	982
Unrealized foreign exchange loss/(gain)	163	(14)	188	(42)
Finance costs	1,674	1,331	3,326	2,745
Deferred income taxes	1,530	2,352	3,520	3,392
Share-based compensation expense (note 6 and 9)	957	861	1,956	1,456
Book value of used fleet sales in operating activities	1,226	1,400	2,144	3,458
	28,649	26,245	65,155	51,659
Change in long-term receivables	991	—	2,092	—
Change in non-cash working capital related to operating activities	16,447	(2,802)	(7,582)	(8,419)
Net cash from operating activities	**46,087**	**23,443**	**59,665**	43,240
Investing activities				
Purchase of property and equipment (note 4)	(19,524)	(47,928)	(41,450)	(67,605)
Purchase of Australian Portable Buildings Pty. Ltd. (note 3)	—	—	(39,349)	—
Purchase of investment in Britco Australia LP (note 3)	—	—	(1,792)	—
Change in non-cash working capital related to investing activities	4,960	7,982	2,494	6,958
Net cash used in investing activities	**(14,564)**	**(39,946)**	**(80,097)**	(60,647)
Financing activities				
Proceeds from long-term debt (note 5)	—	4,239	55,000	4,239
Repayment of long-term debt (note 5)	(5,000)	—	(15,000)	—
Net draw (repayment) on operating facility (note 5)	(7,469)	—	8,031	—
Interest paid in the period	(1,647)	(1,253)	(3,242)	(2,597)
Dividend payments	(8,754)	(6,471)	(16,196)	(12,346)
Distribution to non-controlling interest	(790)	(393)	(1,680)	(393)
Purchase of shares in trust (note 6)	—	—	(600)	(993)
Sale of shares in trust (note 6)	65	100	65	100
Share options exercised (note 6)	4,567	2,964	7,459	6,074
Change in non-cash working capital related to financing activities	(2,616)	915	(1,465)	381
Net cash (used in)/from financing activities	**(21,644)**	**101**	**32,372**	(5,535)
Increase (Decrease) in cash and cash equivalents	9,879	(16,402)	11,940	(22,942)
Cash and cash equivalents, beginning of period	4,763	16,450	2,697	22,990
Effect of foreign currency rate changes on cash and cash equivalents	115	(48)	120	(48)
Cash and cash equivalents, end of period	**14,757**	—	**14,757**	—

See accompanying notes to the unaudited condensed consolidated interim financial statements

Total tax paid in cash for the the three and six month periods ended June 30, 2013 was $3,006 and $14,758 respectively.

1. GENERAL INFORMATION

The unaudited condensed consolidated interim financial statements of Black Diamond Group Limited for the three and six months ended June 30, 2013 were authorized for issuance in accordance with a resolution of the Board of Directors on August 8, 2013. Black Diamond Group Limited, its subsidiaries and its controlled limited partnerships ("Black Diamond" or the "Company") are headquartered in Calgary, Alberta. The address of the Company's head office is Suite 2000, 715 – 5th Avenue S.W., Calgary, Alberta, Canada. Black Diamond, through its subsidiaries and its approximate 50% equity participation in certain aboriginal limited partnerships, operates four complementary business units comprised of Structures, Logistics, Energy Services and International in 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.

The common shares of the Company are listed on the Toronto Stock Exchange.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2013 and 2012 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of Presentation and Measurement

These unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the audited annual consolidated financial statements as at December 31, 2012.

These unaudited condensed consolidated interim financial statements are presented in Canadian dollars rounded to the nearest thousand, except per share amounts or as otherwise noted, and are prepared on a going concern basis using the historical cost basis, except for derivative financial instruments measured at fair value. Certain figures from the prior period financial statements have been reclassified to conform to the current year's presentation.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers, determined to be the Board of Directors and the senior executives, as these are the individuals that make strategic decisions and resource allocations.

Beginning in fiscal 2013, Black Diamond changed to five reportable segments to reflect a new operating structure. The reportable segments now correspond to internal business units including: Structures (combination of Camps and BOXX Modular), Logistics, Energy Services, International and Corporate. Previously, the reportable segments were Camps and Logistics, BOXX Modular, Energy Services and Corporate.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Segment reporting (continued)

The basis for the change is to better represent the unique skill sets and services of each business (note 10).

To enable readers to understand the changes and to assess trends, prior period segment information was restated to reflect the new business structure.

3. BUSINESS COMBINATION AND INVESTMENT

Effective January 1, 2013, Black Diamond completed the purchase of 90% of the shares of the modular rental business of Australian Portable Buildings Pty. Limited ("APB"). In March 2013, Black Diamond completed the purchase of the remaining 10% share interest in APB. As at the effective date, APB owned 913 modular accommodation and workspace units that were rented to a diverse customer base throughout Australia. The transactions were for a total cash consideration of $39,349 and have been accounted for as a single business acquisition.

The preliminary allocation of the purchase price is as follows:

(Expressed in thousands)	$
Fair value of assets acquired:	
Accounts receivable	4,520
Other current assets	1,635
Property, plant and equipment	29,192
Deferred tax asset	349
Intangible and other assets	3,955
Goodwill	5,483
Total assets	45,134
Current liabilities	5,785
Net assets acquired for cash	39,349

Goodwill comprises the fair value of expected synergies arising from the acquisition and the established workforce. None of the goodwill is deductible for tax purposes.

For the six months ended June 30, 2013, the Company included in its consolidated results revenue of $10,611 and net income after tax of $953 relating to the acquisition of APB. The functional currency of APB is the Australian Dollar.

Transaction costs for these acquisitions of $707 were charged to administrative expenses in 2012 with an additional $300 being expensed in the first quarter of 2013.

The allocation of the purchase price is preliminary, has not been finalized and is subject to change in future periods due to possible adjustments in the valuation of identifiable assets.

3. BUSINESS COMBINATIONS AND INVESTMENT (continued)

Concurrent with the purchase of APB, and also effective January 1, 2013 the Company completed the purchase of a 20% interest in Britco Australia LP (the "LP") which holds the portable building manufacturing business of APB for cash consideration of $1,792. The Company also issued a letter of credit for AU $5,168 as part of the purchase consideration for the Company's 20% interest in Britco Australia LP.

Management has determined due to a lack of representation on the LP's Board of Directors and the absence of operational or commercial dependence, that the Company is not able to exert significant influence over the LP's policy or strategic decision making process. The investment is therefore recorded at acquisition cost. The equity in loss of associate of $53 recorded in the three months ended March 31, 2013, resulting from the initial assessment of influence, has been reversed in the three months ended June 30, 2013.

4. PROPERTY AND EQUIPMENT

In addition to the equipment acquired in the APB business combination (note 3), the Company added fleet assets of $19,524 and $41,450 (2012 - $47,928 and $67,605) during the three and six months ended June 30, 2013, respectively. There were also disposals of fleet assets with a net book value of $1,226 and $2,144 (2012 - $1,400 and $3,458) during the three and six months ended June 30, 2013, respectively.

5. LONG-TERM DEBT

(Expressed in thousands)	June 30, 2013	December 31, 2012
	$	$
Committed Revolving Operating Facility	8,031	—
Committed Revolving Capital Expenditure Facility	75,000	35,000
Senior Secured Notes	62,000	62,000
Costs associated with issue of Senior Secured notes	(949)	(949)
Amortization of costs associated with issue	434	308
	144,516	**96,359**

Committed Revolving Operating Facility

Black Diamond has a committed revolving operating loan facility of $15,000 (December 31, 2012 - $15,000) that matures December 31, 2016 and is available by way of overdraft, prime rate advances, U.S. base rate advances, LIBOR advances, bankers acceptances and letters of credit using interest rates that fluctuate based on the ratio of funded debt to EBITDA. The facility may not exceed the aggregate of 75% of Canadian trade accounts receivable and 60% of US trade accounts receivable, in each case, less than 90 days old. As at June 30, 2013, $15,000 was available under the facility and the Company had drawn $8,031 (December 31, 2012 - $15,000 available and $nil drawn). The facility is collateralized by a general security agreement from Black Diamond, a guarantee and general security agreement from each of its material subsidiaries and a pledge of the shares or equity interests of such material subsidiaries. The revolving operating loan facility incurs standby fees for any unused portion of the facility at rates that fluctuate based on the ratio of funded debt to EBITDA.

5. LONG-TERM DEBT (continued)

Committed revolving capital expenditure facility

Black Diamond has a committed revolving capital expenditure facility of $130,000 (December 31, 2012 - $130,000) that matures December 31, 2016 and is available by way of prime rate advances, U.S. base rate advances, LIBOR advances, bankers acceptances and letters of credit using interest rates that fluctuate based on the ratio of funded debt to EBITDA. The facility may not exceed 60% of the net book value of tangible capital property and equipment less the principal and any accrued and unpaid interest on the senior secured notes of the Company. As at June 30, 2013, $130,000 (December 31, 2012 - $130,000) was available prior to any draw downs on the facility. The facility is interest only payable monthly in arrears until December 31, 2015 and if the interest only period is not extended, the facility in aggregate, will be reduced beginning March 31, 2016 by equal quarterly payments in an amount equal to 1/16th of the outstanding commitment on December 31, 2015. The facility is collateralized by a general security agreement from Black Diamond, a guarantee and general security agreement from each of its material subsidiaries and a pledge of the shares of equity interests of such material subsidiaries. The committed revolving capex facility matures December 31, 2016 and incurs standby fees for any unused portion of the facility at rates that fluctuate based on the ratio of funded debt to EBITDA.

For the six months ended June 30, 2013, the Company's draws under the committed revolving capital expenditure facility were comprised of $50,000 (December 31, 2012 - $10,000) of bankers' acceptances, $25,000 (December 31, 2012 - $25,000) of bankers acceptances that have been swapped for a fixed interest rate and the following issued letters of credit:

- US $3,000 (December 31, 2012 - US $3,000) to secure an operating facility in the United States;
- AU $5,168 as part of the purchase consideration for the Company's 20% interest in Britco Australia LP; as well as,
- AU $5,000 to guarantee the operating facility Black Diamond has in Australia.

As at June 30, 2013, the average interest rate applied to amounts drawn on both operating and capital expenditure facilities was 3.31% (2012 - 4.34%).

Senior Secured Notes

The $62,000 principal amount of the senior secured notes of the Company rank pari passu with the senior credit facilities with the same collateral, at an interest rate of 5.44% per annum and mature on July 8, 2019. The scheduled annual repayment of the senior secured notes begins July 7, 2015.

Debt covenants

At June 30, 2013, Black Diamond was in compliance with all of its debt covenants. Breach of any term or condition of the facilities described above would result in an event of default in which case Black Diamond may have available specific cure periods to remedy such default. If the default is not remedied or waived, the lenders have the option to declare the obligations of Black Diamond under the credit facilities to be immediately due and payable without presentment, demand, protest or further notice of any kind.

5. LONG-TERM DEBT (continued)

Offset Banking System

Effective April 1, 2013, the Company has entered into an arrangement known as an offset banking system with Bank of Montreal ("BMO") whereby BMO will calculate its compensation for operations of the accounts and the availability of credit to the Company on a net basis over all its designated Canadian dollar accounts provided each account is maintained within its credit limits and the consolidated credit limit is maintained as well. Accordingly, the cash and cash equivalents for the Canadian dollar denominated accounts is reflected on a net basis on the statement of financial position.

6. SHARE CAPITAL

a) Share capital

Authorized: An unlimited number of voting common shares with no par value and an unlimited number of preferred shares, issuable in series.

Issued - Common shares	Number	Amount
		$
January 1, 2012	**37,240**	**240,350**
Issued on public offering, net of costs	2,750	57,465
Tax savings from share issuance costs	—	857
Issued on exercise of options	1,178	7,587
Purchase of shares in Trust	(47)	(993)
Sale of shares in trust	10	203
Vesting of shares in trust	23	136
Transfer from contributed surplus	—	3,535
December 31, 2012	**41,154**	**309,140**
Issued on exercise of options (note 6(b))	779	7,459
Purchase of shares in trust (note 6(c))	(28)	(600)
Sale of shares in trust	3	65
Vesting of shares in trust	22	395
Transfer from contributed surplus	—	1,726
June 30, 2013	**41,930**	**318,185**

b) Share Option Plan

Black Diamond has established a share option plan (the "Option Plan") pursuant to which options may be granted to directors, officers, employees and consultants of Black Diamond in order to provide an opportunity for these individuals to obtain a proprietary interest in Black Diamond's long-term success.

The aggregate number of common shares of the Company that may be issued pursuant to the exercise of options granted under the Option Plan and all other share compensation arrangements of Black Diamond shall not exceed 10% of the outstanding common shares of Black Diamond from time to time. At June 30, 2013, there were 3,440 common shares (December 31, 2012 - 3,389) reserved for issuance upon the exercise of options granted pursuant to the Option Plan. The exercise price of each option equals the weighted average

6. SHARE CAPITAL (continued)

Share Option Plan (continued)

trading price of the common shares for the five trading days preceding the date of the grant. Options granted under the Option Plan vest on a straight line basis over three years and the option term is five years from the date of grant.

(expressed in thousands except per share amounts and years)

Grant date	Number of options outstanding	Exercise price for options $	Remaining contractual life (years)	Number of options exercisable	Weighted average exercise price for exercisable options $
April 1, 2010	277	9.81	1.71	277	2.30
March 25, 2011	669	12.97	2.69	353	3.88
March 25, 2012	1,050	20.61	3.68	350	6.13
April 5, 2012	519	19.94	3.72	173	2.93
June 5, 2012	75	22.60	3.89	25	0.48
March 23, 2013	820	20.98	4.68	—	—
May 21, 2013	30	22.60	4.85	—	—
June 30, 2013	3,440			1,178	
Weighted average		18.30	3.58		15.72

Black Diamond recorded the following share option activity:

(expressed in thousands except per share amounts)	Number of options outstanding	Weighted average exercise price per option $
January 1, 2012	**2,972**	**9.16**
Granted	1,674	20.47
Exercised	(1,178)	6.48
Forfeited	(79)	11.77
December 31, 2012	**3,389**	**15.62**
Granted	880	21.04
Exercised	(779)	9.58
Forfeited	(50)	20.46
June 30, 2013	**3,440**	**18.30**

During the three and six month period ended June 30, 2013, the Company recorded share-based compensation expense of $787 and $1,617, respectively (2012 – $726 and $1,152) related to options granted under the Option Plan. Options granted in the six month period ended June 30, 2013 have a weighted average fair value of $3.20 per option (2012 - $2.55).

6. SHARE CAPITAL (continued)

The Black-Scholes option pricing model was used in determining the fair values of these options using a forfeiture rate of 5%, based on historical experience, and the following assumptions:

Date of grant	Dividend yield	Expected average volatility	Average risk-free rate	Expected life
	%	%	%	(years)
March 25, 2011	4.41	30	1.69	3.00
March 25, 2012	3.34	30	1.24	3.00
April 5, 2012	3.61	34	1.19	3.00
May 15, 2012	3.66	34	1.42	3.00
June 6, 2012	3.19	36	1.10	3.00
March 22, 2013	4.33	30	1.33	3.00
May 13, 2013	3.15	33	1.00	3.00

The expected life of the options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the expected life of the options is indicative of future trends, which may not occur.

c) Long Term Incentive Plan

Black Diamond has a long term incentive plan ("LTIP") pursuant to which common shares of the Company are purchased in trust for participants. One-third of the shares that are the subject of a right granted under the LTIP will vest on each anniversary of the grant over a three year period. During the three and six month periods ended June 30, 2013, the Company recorded share-based compensation expense of $170 and $339 (2012 – $135 and $304) related to the graded vesting of shares granted under the LTIP, with a corresponding increase to contributed surplus.

To satisfy the Company's obligation to deliver shares pursuant to the LTIP, the Company purchased 28 common shares of the Company (2012 - 47) on the open market for $600 (2012 - $993) over the six months ended June 30, 2013. For accounting purposes, the cost of the purchase of common shares of the Company held in trust has been accounted for as a reduction in share capital and the trust has been consolidated as it meets the definition of a special purpose entity with the Company as the primary beneficiary.

These common shares are held in trust until the common shares vest to the participants. The Company is not exposed to fluctuations in the stock price in respect of the common shares held by the trustee, except when shares are forfeited by the employee pursuant to the LTIP and sold in the open market. The Company sold 3 common shares for proceeds of $65, as a result of forfeitures.

During the six month period ended June 30, 2013, 22 shares vested, and were released to participants. The release of these shares triggered a transfer from contributed surplus to share capital in the amount of $395 (2012 – $136).

7. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated on the net income attributable to Black Diamond per the Consolidated Statement of Net Income for the period.

Reconciliation of weighted average number of shares

	Three month period ended		Six month period ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Weighted average common shares outstanding - basic	41,683	37,842	41,525	37,704
Effect of share option plan	652	922	638	881
Weighted average common shares outstanding - diluted	42,335	38,764	42,163	38,585

Excluded from diluted weighted average number of shares are 1,975 anti-dilutive options for the three and six month periods ended June 30, 2013 (2012 - 1,674).

8. REVENUE

	Three month period ended		Six month period ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
	$	$	$	$
Rental revenue	35,556	24,772	75,934	51,426
Lodging revenue	17,738	15,103	43,564	26,808
Non-rental revenue	17,777	22,099	42,553	42,697
	71,071	61,974	162,051	120,931

9. AMOUNTS CHARGED IN ADMINISTRATIVE EXPENSES

	Three month period ended		Six month period ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
	$	$	$	$
Personnel costs	6,736	4,592	12,521	8,795
Administrative expenses	3,999	2,171	7,749	3,986
Occupancy and insurance	1,494	1,073	2,953	2,179
Share based compensation	957	861	1,956	1,456
Acquisition costs	—	—	300	—
Total Administrative expenses	**13,186**	**8,697**	**25,479**	**16,416**

10. SEGMENTED INFORMATION

Black Diamond determines its reportable segments based on the structure of its operations in a manner consistent with the internal reporting provided to the chief operating decision makers. Operations are primarily focused in five business segments – Structures, Logistics, Energy Services, International and Corporate. This determination is based on an overlapping set of components (product/services and geography). With the exception of the International business unit, all other reportable segments are located in North America.

Black Diamond Structures provides modular structures designed for remote site accommodation and space rentals. The remote site accommodations, when assembled together, form large dormitories, kitchen/dining facilities and recreation complexes. Space rental modular structures provide high quality, cost effective modular space solutions to a diverse customer base in Canada and the United States. The space rentals fleet includes office units, storage units, office complexes, training facilities, lavatories and custom manufactured structures. The primary revenue sources consist of rental revenue for this equipment, and non-rental revenue consisting primarily of sales of modular units, as well as transportation and installation revenues.

Black Diamond Logistics operates remote lodging facilities for third parties, and includes the Sunday Creek Lodge, where the Company also owns the lodging facility. The primary revenue sources consist of turnkey lodging services for camps operated by Black Diamond, remote facility management and supply chain solutions. The majority of the business activity within this segment occurs in Western Canada.

Black Diamond Energy Services provides accommodations fleets for drill camps, geologist/engineer quarters and staff quarters. Energy Services also provides a complement of surface rental assets that would typically support a drilling or completions operation such as solid and liquids containment, rig matting, and support equipment.

Black Diamond International provides modular structures for remote workforce housing and modular workspace solutions and provides associated services in Australia and other areas outside of North America.

Corporate includes the costs of head office administration, interest costs, taxes, other corporate costs and residual assets and liabilities.

Black Diamond changed the basis of its business unit structure for reporting purposes beginning in the 2013 fiscal year. Previously, the reportable segments were disclosed as Camps, Logistics, BOXX Modular, Energy Services and Corporate. The change had an impact on the segment information reported but did not change aggregate financial information reported for Black Diamond. To enable users to understand the changes and to assess trends, prior period segment information included in the financial statements for comparative purposes, was restated to reflect the new business structure.

10. SEGMENTED INFORMATION (continued)

For the three months ended	June 30, 2013			June 30, 2012		
		Inter segment Eliminations	Total	(restated)	Inter segment Eliminations	Total
	$	$	$	$	$	$
Revenue[1]						
Structures	38,427	5,061	43,488	36,819	2,547	39,366
Energy Services	4,911	331	5,242	7,505	—	7,505
Logistics	23,130	(5,392)	17,738	17,650	(2,547)	15,103
International	4,603	—	4,603	—	—	—
	71,071	—	71,071	61,974	—	61,974

(1) All inter segment revenue eliminated is in respect to inter-divisional services provided within the Company.

Depreciation of Property and Equipment						
Structures	8,010	—	8,010	6,029	—	6,029
Energy Services	1,670	—	1,670	1,403	—	1,403
Logistics	901	—	901	184	—	184
International	1,464	—	1,464	—	—	—
Corporate	343	—	343	279	—	279
	12,388	—	12,388	7,895	—	7,895
Net Income (Loss)						
Structures	18,015	—	18,015	13,276	—	13,276
Energy Services	(485)	—	(485)	759	—	759
Logistics	1,700	—	1,700	5,502	—	5,502
International	(85)	—	(85)	—	—	—
Corporate	(10,199)	—	(10,199)	(8,561)	—	(8,561)
	8,946	—	8,946	10,976	—	10,976
Capital Expenditures (gross)						
Structures	15,686	—	15,686	39,457	—	39,457
Energy Services	21	—	21	8,291	—	8,291
Logistics	672	—	672	—	—	—
International	242	—	242	—	—	—
Corporate	2,903	—	2,903	180	—	180
	19,524	—	19,524	47,928	—	47,928

10. SEGMENTED INFORMATION (continued)

For the six months ended	June 30, 2013			June 30, 2012		
		Inter segment Eliminations	Total		Inter segment Eliminations	Total
	$	$	$	(restated) $	$	$
Revenue[1]						
Structures	79,024	12,929	91,953	71,386	3,273	74,659
Energy Services	15,592	331	15,923	19,464	—	19,464
Logistics	56,824	(13,260)	43,564	30,081	(3,273)	26,808
International	10,611	—	10,611	—	—	—
	162,051	—	162,051	120,931	—	120,931

(1) All inter segment revenue eliminated is in respect to inter-divisional services provided within the Company.

Depreciation of Property and Equipment						
Structures	15,654	—	15,654	11,743	—	11,743
Energy Services	3,282	—	3,282	2,634	—	2,634
Logistics	1,190	—	1,190	306	—	306
International	2,455	—	2,455	—	—	—
Corporate	631	—	631	526	—	526
	23,212	—	23,212	15,209	—	15,209
Net Income (Loss)						
Structures	36,583	—	36,583	27,331	—	27,331
Energy Services	2,319	—	2,319	5,178	—	5,178
Logistics	12,155	—	12,155	8,409	—	8,409
International	953	—	953	—	—	—
Corporate	(24,256)	—	(24,256)	(16,899)	—	(16,899)
	27,754	—	27,754	24,019	—	24,019
Capital Expenditures (gross)						
Structures	21,326	—	21,326	53,964	—	53,964
Energy Services	1,995	—	1,995	11,777	—	11,777
Logistics	4,217	—	4,217	—	—	—
International	10,963	—	10,963	—	—	—
Corporate	2,949	—	2,949	1,864	—	1,864
	41,450	—	41,450	67,605	—	67,605

10. SEGMENTED INFORMATION (continued)

As at	June 30, 2013 $	December 31, 2012 (restated) $
Property and Equipment		
Structures	344,536	337,859
Energy Services	59,917	61,553
Logistics	11,239	7,290
International	34,948	—
Corporate	18,245	16,579
	468,885	**423,281**
Intangible Assets		
Structures	9,449	9,669
Energy Services	76	83
International	3,402	—
Corporate	4	5
	12,931	**9,757**
Goodwill		
Structures	33,424	33,208
Energy Services	1,369	1,369
International	5,050	—
	39,843	**34,577**
Total Assets		
Structures	417,553	429,803
Energy Services	66,559	70,597
Logistics	47,569	35,442
International	51,927	—
Corporate	30,915	21,354
	614,523	**557,196**

11. COMMITMENTS

Black Diamond has committed to purchase $13,852 of fleet equipment for delivery in the next six months. These purchases will be financed through a combination of operating cash flow and draws on Black Diamond's credit facilities.

12. SUBSEQUENT EVENTS

On July 3, 2013, Black Diamond completed a private placement of senior secured notes. The notes, which rank pari passu with the senior credit facilities, have a principal amount of $40,000, an interest rate of 4.58% per annum and mature in 2022. Amortized repayment of the notes begins in 2020.