

April 10, 2019

Dear Fellow Shareholder,

I am pleased to write to you on behalf of both the Management and Board of Directors of our Company. Although the past year was not without its challenges, we have reason to be optimistic that the progress made in 2018 will create value for shareholders in the current year and beyond. The efforts of our employees whom have worked tirelessly throughout the year to create a better way for our customers, grow and diversify our businesses, and maintain our strong safety culture, have strengthened the Company in multiple ways.

Despite a continued weak western Canadian economic environment in 2018, we generated adjusted EBITDA of \$29.3 million, up 3% from 2017. Our continued diversification strategies resulted in roughly 70% of fourth quarter revenue being generated from sources outside of the western Canadian energy sector. In fact, our current revenue mix is quite diverse both geographically and by industry segment. We believe this speaks to the underlying stability and sustainability of the Company.

As we progress over the next several years, our vision is to continue to invest in and grow our diversified Modular Space Solutions (MSS) platform, which is more diverse in terms of customer make-up and product offerings than it has ever been. We are targeting growth of the rental fleet of this business by 10% per annum. With increased scale, efficiency and product offerings, we expect that cash flow generation will outpace fleet growth. We continue to believe that our MSS business is under-appreciated and under-valued by the broader market, but we are confident that the steps we are taking in this business will provide for lasting value creation.

Our Workforce Solutions (WFS) business continued to feel the impacts of very low activity levels surrounding western Canadian upstream energy and infrastructure. The lack of pipeline capacity for Canadian energy projects has resulted in dramatically lower levels of remote workforce activity. Our Company continues to be negatively affected by this situation in terms of lower occupancy for our operated open camps, lower utilization of our fleet of relocatable dormitories, kitchens, and support equipment, as well as lower rental activity for our wellsite accommodations and surface rental assets in this region. However, after a prolonged down-cycle, we believe there could be an inflection point coming. The LNG Canada project, along with the associated Coastal Gas Link pipeline, for which we have been awarded meaningful contracts, is expected to provide an up-lift to our WFS business as construction is anticipated to begin in 2019.

We also await final investment decisions or progress with certain regulatory hurdles on a number of other large, significant construction and infrastructure projects throughout Canada that could quickly tighten the supply and demand balance for remote accommodation assets. As one of the largest owners of modular, remote dormitories in Canada, we believe there is cause for optimism as this large asset base provides for meaningful operating leverage.

Outside of western Canada, the Company's WFS businesses in the United States and Australia have seen robust activity levels over the past year. We expect this trend to continue throughout this year and beyond with additional opportunities for growth.

LodgeLink, our digital marketplace for workforce accommodation, continues to gain traction with both new and existing customers as we have continued to add supply onto the marketplace (approaching 60,000 rooms at present). We created LodgeLink to help our customers solve a number of problems associated with managing their workforce accommodation logistics. We currently have over 400 Corporate customers and completed over 83,000 room nights of bookings in 2018. The feedback from our growing customer and supplier base leads us to believe the value proposition offered by LodgeLink is compelling. We will continue to aggressively expand this business by increasing supply of properties and rooms while also branching out to new industries and customers. We are on track to introduce an enhanced version of the digital marketplace mid-way through 2019 and have also begun our expansion into the United States.

In the coming year, we will remain prudent with our balance sheet and capital investment decisions. Throughout 2018 we paid down over \$25 million of debt. The rationalization of our fleet will be a mainstay of our day-to-day business practice as we recycle redundant capital into productive cash-flowing assets.

Our vision is to ultimately double the MSS fleet, capitalize on our meaningful operating leverage within the WFS business, and build LodgeLink into a global leader in the digital marketplace for workforce accommodations. We are confident we have the right team of dedicated professionals to realize our vision of a growing, diversified Black Diamond driving profitability and shareholder value in 2019 and beyond.

We thank you for your continued trust and ownership.

Respectfully, on behalf of Management and the Board,

Trevor Haynes
Chairman, President & Chief Executive Officer

Cautionary Note Regarding Forward-Looking Statements

Certain information or statements in this letter may contain forward-looking statements. The reader is directed to the Cautionary Statement Regarding Forward-Looking Statements in Black Diamond's Annual Information Form for the year ended December 31, 2018, which cautionary statement is deemed to be incorporated by reference herein.