FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Corporation

Black Diamond Group Limited ("**Black Diamond**" or the "**Corporation**")
Suite 2000, 715 – 5th Avenue S.W.
Calgary, Alberta T2P 2X6

Item 2 Date of Material Change

July 6, 2016.

Item 3 News Release

News releases reporting the material change were issued on July 6, 2016 and July 7, 2016 through the services of Marketwired.

Item 4 Summary of Material Change

On July 6, 2016, Black Diamond entered into an agreement to sell 4,456,000 common shares ("**Shares**") on a bought deal basis at a price of $5.05 per share (the "**Issue Price**") to a syndicate of underwriters led by Raymond James Ltd. (the "**Underwriters**") for gross proceeds of $22,502,800 (the "**Offering**").

Subsequently, on July 7, 2016, Black Diamond entered into an amended agreement to sell 4,903,800 Shares on a bought deal basis at the Issue Price to the Underwriters for gross proceeds of $24,764,190 (the "**Upsized Offering**").

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On July 6, 2016, Black Diamond entered into an agreement to sell 4,456,000 Shares on a bought deal basis at the Issue Price to the Underwriters for gross proceeds of $22,502,800. In addition, the Corporation granted the Underwriters an over-allotment option, exercisable for a period of 30 days following closing of the Offering to purchase up to an additional 445,600 Shares which, if exercised, would increase the gross offering size to $24,753,080, to cover over-allotments, if any, and for market stabilization purposes.

Subsequently, on July 7, 2016, Black Diamond entered into an amended agreement to sell 4,903,800 Shares on a bought deal basis at the Issue Price to the Underwriters for gross proceeds of $24,764,190. In addition, the Corporation granted the Underwriters an over-allotment option, exercisable for a period of 30 days following closing of the Upsized Offering to purchase up to an additional 490,380 Shares which, if exercised, would increase the gross offering size to $27,240,609, to cover over-allotments, if any, and for market stabilization purposes.

Certain directors, officers, and employees of Black Diamond are expected to purchase 402,071 Shares (approximately $2.0 million) pursuant to the Upsized Offering.

The Upsized Offering is expected to close on or about July 26, 2016, and is subject to the approval of securities regulatory authorities and the Toronto Stock Exchange.

5.2 Disclosure For Restructuring Transactions

Not applicable.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For more information, please contact:

Mark Lewis, General Counsel and Corporate Secretary
Telephone: (403) 206-4747
Fax: (403) 264-9281

Item 9 Date of Report:

July 12, 2016.

Cautionary Note Regarding Forward-Looking Statements

This material change report contains forward-looking statements within the meaning of applicable securities laws. In particular, this material change report contains forward-looking statements with respect to the timing and completion of the Upsized Offering and the expected level of insider participation in the Upsized Offering. Although Black Diamond believes that the expectations reflected in such forward-looking statements are reasonable, undue reliance should not be placed on them because Black Diamond can give no assurance that such expectations will prove to be correct. Assumptions have been made with respect to, among other things, general economic and market conditions, industry conditions, market and commodity price volatility and Black Diamond's financial and operational performance and results. Additional information on these and other factors that could affect Black Diamond's operations and financial performance are included in Black Diamond's annual information form and other reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) and at Black Diamond's website (www.blackdiamondgroup.com). Black Diamond disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.