FORM 51-102F3

Material Change Report

Item 1 Name and Address of Company

Black Diamond Group Limited ("**Black Diamond**" or the "**Corporation**")
Suite 1000
440 – 2nd Avenue SW
Calgary, Alberta T2P 5E9

Item 2 Date of Material Change

November 30, 2020.

Item 3 News Release

A news release was issued and disseminated on November 30, 2020 and filed on SEDAR on November 30, 2020.

Item 4 Summary of Material Change

On November 30, 2020, Black Diamond announced that it had completed, through its wholly-owned U.S. subsidiary BOXX Modular Inc. ("**BOXX Modular**"), the acquisition of Vanguard Modular Building Systems, LLC ("**Vanguard**") for US$58.7 million (approximately C$76.3 million) plus deferred receivables of US$3 million (approximately C$3.9 million) (the "**Transaction**").

Concurrent with the closing of the Transaction, Black Diamond issued 2,230,728 common shares of Black Diamond ("**Shares**") for aggregate proceeds of approximately US$3 million and approximately US$8.7 million of preferred shares of Black Diamond ("**Preferred Shares**") (together, the "**Share Issuance**") to BD-Vanguard Investment, LLC ("**Investment LLC**").

Item 5 Full Description of Material Change

5.1 - Full Description of Material Change

The Transaction

The Transaction proceeded by way of an agreement and plan of merger dated as of November 30, 2020 among Vanguard, BOXX Modular, Villa Merger Sub Inc. and the unitholders of Vanguard.

The Transaction is a strategic acquisition for Black Diamond pursuant to which BOXX Modular acquired Vanguard for US$58.7 million (approximately C$76.3 million) plus deferred receivables of US$3 million (approximately C$3.9 million) for a total purchase price consideration of US$61.7 million. Vanguard provides relocatable modular classrooms and commercial complexes in key markets in the eastern and southern United States (Vanguard's largest markets are Virginia, North and South Carolina and Texas). With the acquisition of Vanguard, more than two-thirds of Black Diamond's pro forma consolidated rental revenue for the nine months ended September 30, 2020 is attributable to the MSS segment, up from 59% previously. The acquisition of Vanguard is in line with Black Diamond's focus on growing its diversified MSS segment.

The US$58.7 million base purchase price, plus an additional US$3 million for deferred receivables was funded by:

- US$50 million in cash, drawn from available liquidity on Black Diamond's concurrently expanded credit facility;
- US$8.7 million in Preferred Shares, being issued to Investment LLC; and
- 2,230,728 Shares, being issued to Investment LLC, bringing the total Shares outstanding post-acquisition to 56.9 million.

Share Issuance

Concurrently with the closing of the Transaction, Black Diamond entered into subscription agreements with Investment LLC pursuant to which Black Diamond issued 2,230,728 Shares for proceeds of US$3,079,966.15 and US$8.7 million worth of Preferred Shares to Investment LLC.

The Preferred Shares will pay a quarterly dividend at a rate of 7% per annum for the first two years. On the third anniversary of the issuance of the Preferred Shares, the annual dividend rate will increase to 8% and will continue to increase by 1% per year thereafter. The Preferred Shares are fully redeemable at face value at Black Diamond's option and do not carry any conversion rights to Shares.

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

No information has been omitted from this report on the basis that it is confidential information.

Item 8 Executive Officer

For further information, please contact:

Toby LaBrie, Executive Vice President & Chief Financial Officer
Telephone: (403) 718-5056
Fax: (403) 264-9281

Item 9 Date of Report

December 10, 2020.

Cautionary Note Regarding Forward-Looking Statements

Certain information set forth in this news release contains forward-looking statements including, but not limited to, the effects of the acquisition Vanguard on Black Diamond's business and operations, the expected future size of the Modular Space Solutions division, anticipated revenues as a result of the acquisition of Vanguard, expected debt reduction in future years and expected free cash flow generation in future years. Although Black Diamond believes that the expectations reflected in the forward-looking statements contained in this news release, and the assumptions on which such forward-looking statements are made are reasonable, there can be no assurances that such expectations or assumptions will prove to be correct. Readers are cautioned that assumptions used in the preparation of such statements may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond the control of Black Diamond. These risks include, but are not limited to: the impact of general economic conditions, industry conditions, fluctuation of commodity prices, the impact of the COVID-19 pandemic, the Corporation's ability to attract new customers, failure of counterparties to perform on contracts, industry competition, availability of qualified personnel and management, timely and cost effective access to sufficient capital from internal and external sources, political conditions, dependence on suppliers and stock market volatility. The risks outlined above should not be construed as exhaustive. Additional information on these and other 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 news release are made as at the date of this news release 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.