FORM 51-102F3
Material Change Report

ITEM 1 **Name and Address of Company**

Diadem Resources Ltd. ("Diadem" or the "Company")
110 Meadowvale Road
Toronto, ON M1C 1S1

ITEM 2 **Date of Material Change**

November 17, 2006

ITEM 3 **News Release**

Released through the facilities of CCN Matthews on November 17, 2006.

ITEM 4 **Summary of Material Change**

Diadem closed a non-brokered equity financing to raise over $1.6 million dollars**.**

ITEM 5 **Full Description of Material Change**

DIADEM FLOW-THROUGH EQUITY FINANCING OF OVER $1.6 MILLION WITH MINERALFIELDS AND OTHER INVESTORS

TORONTO, November 17, 2006 - Diadem Resources Ltd. (TSX–V: "DRL") ("Diadem" or the "Company") is pleased to announce completion of a non-brokered private placement of approximately $1.6 million through the sale of 4,767,654 flow-through units ("FT Units") at $0.34 per FT Unit to the MineralFields Group and two other undisclosed investors. Each FT Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one non flow-through common share at a price of $0.45 per common share during the 12 months immediately following the date of the placement and at a price of $0.60 per common share during the second 12 month period following the date of the placement. In addition, one undisclosed party subscribed for 110,000 non flow-through common shares for gross proceeds of $33,000 with no share purchase warrants attached.

In connection with the placement of the FT Units, the Company provided common share purchase options as finders' fees to the applicable market intermediaries entitling the holders thereof to purchase 381,412 non flow-through common shares on the same terms as the warrants constituting part of the FT Units.

The gross proceeds of the placement of the FT Units will be used for the exploration of Diadem's mineral properties in Canada (specifically, the Duquesne West gold project near Rouyn-Noranda, Quebec and the Franklin diamond project in the Northwest Territories).

All securities issued pursuant to these private placements will be subject to a hold period of four-months following the closing of the placement.

After giving effect to the placements described herein, Diadem has 17,649,352 common shares outstanding. On a fully diluted basis, assuming exercise of all the share purchase warrants, placement options and incentive stock options granted under its stock option plan, Diadem would have 23,189,043 common shares outstanding. All share issuances have received the approval of the TSX Venture Exchange.

ITEM 6 **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

ITEM 7 **Omitted Information**

No information has been omitted. Additional information concerning Diadem is available under Diadem's profile at www.sedar.com.

ITEM 8 **Executive Officer**

For further information, please contact Paul Carroll, Chief Executive Officer at 416-369-7217.

ITEM 9 **Date of Report**

November 22, 2006