ALLIANCE FINANCING GROUP INC.
MATERIAL CHANGE REPORT

1. **REPORTING ISSUER**

Principal Address:

Alliance Financing Group Inc.
55 Administration Drive
Unit 11
Vaughan, ON L4K 4G9

2. **DATE OF MATERIAL CHANGE**

March 21, 2001

3. **PUBLICATION OF MATERIAL CHANGE**

The press release attached as Schedule "A" was released through BCE Emergis on March 19, 2001.

4. **SUMMARY OF MATERIAL CHANGE**

Alliance Financing Group Inc. ("AFGI") announced that it has completed a private placement financing to raise gross proceeds of $150,000. The financing involved the issuance of 187,500 common shares of AFGI at a price of $0.80 per common share.

5. **FULL DESCRIPTION OF MATERIAL CHANGE**

AFGI announced that it has completed a private placement financing to raise gross proceeds of $150,000. The financing involved the issuance of 187,500 common shares of AFGI at a price of $0.80 per common share.

AFGI intends to use the proceeds of the financing for general corporate matters.

6. **RELIANCE ON APPLICABLE PROVISIONS PERMITTING NON-DISCLOSURE OF MATERIAL CHANGE**

Not applicable.

7. **OMITTED INFORMATION**

Not applicable.

8. **SENIOR OFFICERS**

The following senior officer of AFGI may be contacted for information:

Bernard Shimkovitz, Chief Executive Officer
Alliance Financing Group Inc.
55 Administration Drive
Unit 11
Vaughan, ON L4K 4G9

Tel: 905-660-3660 x225, 877-660-3660
Fax: 905-660-3078
bernie@alliancefinancing.com

9. **STATEMENT OF SENIOR OFFICER**

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, this 27th day of March, 2001.

("signed")
Bernard Shimkovitz,
Chief Executive Officer

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SCHEDULE "A"

PRESS RELEASE
ALLIANCE FINANCING GROUP INC.
YFG (CDNX)
Shares Outstanding - 10,258,152
Fully Diluted - 11,970,652

Toronto, Canada - March 19, 2001

Alliance Financing Group Inc. ("AFGI") (CDNX-YFG) announced today that it has completed a private placement financing to raise gross proceeds of $150,000, subject to any necessary regulatory approvals. The financing involves the issuance of 187,500 common shares of AFGI at a price of $0.80 per common share. The purchaser of the securities may not resell the securities for a period of one year except in accordance with applicable securities laws.

Alliance Financing Group Inc. intends to use the proceeds of the financing for general corporate matters.

Alliance Financing Group Inc.'s core business is arranging lease-based financing for small- and medium-sized organizations that require capital for machinery and equipment. AFGI is building its position as a leader in the asset-based finance business in Canada and the US by expanding into the business-to-business e-finance market. AFGI is a one-stop financing shop, delivering comprehensive online business financing fulfilment solutions. For more information, please visit www.yourfinancesource.com.

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For further information regarding AFGI, please contact:

Alliance Financing Group Inc.
(CDNX:YFG)
Website: www.yourfinancesource.com

Bernard Shimkovitz
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