MATERIAL CHANGE REPORT

FORM 51-102F3

Item 1. **Reporting Issuer**

Aadco Automotive Inc. ("**Aadco**" or the "**Company**")
38 Hansen Road South, Brampton, Ontario, L6W 3H4

Item 2. **Date of Material Change**

November 16, 2007

Item 3. **Press Release**

A press release describing the material change was issued on November 19, 2007, through the facilities of Stockwatch and filed on SEDAR.

Item 4. **Summary of Material Change**

The Company's main operating subsidiary, Aadco Vehicle Disposal Service Inc. ("AVDSI"), has agreed to sell to Quorum Secured Equity Trust and Quorum Investment Pool Limited Partnership (together, the "Asset Purchasers") the assets and liabilities of AVDSI's automobile dismantling business (the "Acquisition") for consideration of $100,000.00. The Acquisition has closed in escrow subject to the satisfaction or waiver of certain standard conditions precedent including the receipt of shareholder approval and Exchange acceptance of the Acquisition on or before December 31, 2007.

Item 5. **Full Description of Material Change**

Pursuant to an Asset Purchase Agreement dated November 15, 2007, the Company's main operating subsidiary, AVDSI, has agreed to sell to Asset Purchasers the assets and liabilities of AVDSI's automobile dismantling business. Consideration for the Acquisition payable by the Asset Purchasers to AVDSI consists of the payment of C$100,000 and the assumption of certain current long and short term obligations associated with the automobile dismantling business. The Asset Purchasers are at arm's length to the Company and AVDSI. The sale was approved by the board of the directors of the Company and AVDSI on November 15, 2007. No Finders Fee was paid or is payable with respect to the Acquisition.

The Acquisition has closed in escrow subject to the satisfaction or waiver of certain standard conditions precedent including the receipt of shareholder approval and Exchange acceptance of the Acquisition on or before December 31, 2007. The Company will be seeking shareholder approval at its annual meeting to be held on December 28, 2007.

The entering into and completion of the Acquisition was conditional upon the Asset Purchasers concurrently selling their long-term debt in AVDSI and the Company. As a result, concurrently with the closing in escrow of the Acquisition, the sale of an aggregate of C$2,950,000 of outstanding convertible debentures (the "Debenture Acquisition") by the Asset Purchasers to certain purchasers (the "Debenture Purchasers") at arm's length to the Company, also closed in escrow.

Under the terms of the escrow agreement, governing both the Acquisition and the Debenture Acquisition, the Debenture Purchasers advancedC$193,400 of the debenture acquisition price to AVDSI to facilitate it meeting its payment obligations between the date of the agreements being signed and placed into escrow and the final completion date. If the Acquisition and the Debenture Acquisition do not close, the Company will enter into a loan agreement with the Debenture Purchasers for the above referenced advance amount. However, if the Acquisition and the Debenture Acquisition do close, neither the Company nor AVDSI will have any liability for the advance.

As of the closing in escrow, Charles Hodgkinson, the President and CEO of the Company has resigned from his position of President and CEO of the AVDSI, and Mr. Vince Bulbrook will assume management of the auto dismantling business on behalf of the Asset Purchasers. However, Mr. Hodgkinson will be providing consulting services to AVDSI up to the completion date of the Acquisition. Additionally, Mr. Steven Li and Mr. Steven Dole have resigned as directors and committee members of the Company and have been replaced by Philip Bretzloff.

Assuming the completion of the Acquisition, the Company will not have an operating business and its common shares will then trade on the Exchange's NEX board until such time as it graduates to the Exchange's Tier 2 on the completion of a Change of Business, Reverse Take Over or acquisition of qualifying assets. The Company is in the process of securing a working capital loan that will provide it with the funds needed to seek new assets or a business.

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

There is no reliance on the above-captioned provisions.

Item 7. Omitted Information

No information has been omitted in respect of the material change described above.

Item 8. Senior Officer

Inquiries in respect of the material change referred to herein may be made to: Mr. Charles Hodgkinson, President & CEO, Aadco Automotive Inc. Tel. No.: (905) 789-9310.

Item 9. Statement of Senior Officer

The undersigned, being a senior officer of the reporting issuer, hereby attests that the foregoing accurately discloses the material change referred to herein.

DATED at Brampton, Ontario, this 19th day of November, 2007.

AADCO AUTOMOTIVE INC.

By: "Charles Hodgkinson"
President & CEO

NEWS RELEASE

AADCO AUTOMOTIVE INC TO REORGANIZE

November 19, 2007, Toronto, Ontario – AADCO Automotive Inc. (TSX-V: AA) (the "Company"). The Board of the Company wishes to provide an update on the reasons for a halt in the trading of its shares and announce the proposed to sale of the assets and liabilities of its automobile dismantling business.

Trading Halt

A halt in the trading of the Company's common shares on the TSX Venture Exchange (the "Exchange") was requested by management as a result of the inability of the Company to file its audited financial statements for the year ended June 30, 2007 with the time requirements imposed by securities legislation. The halt shall remain in place until such time as the audited financial statements are filed which management anticipates taking place on or before December 1, 2007.

Sale of Assets and Liabilities of Automobile Dismantling Business

Pursuant to an Asset Purchase Agreement dated November 15, 2007, the Company's main operating subsidiary, Aadco Vehicle Disposal Service Inc. ("AVDSI"), has agreed to sell to Quorum Secured Equity Trust and Quorum Investment Pool Limited Partnership (together, the "Asset Purchasers") the assets and liabilities of AVDS's automobile dismantling business (the "Acquisition"). Consideration for the Acquisition payable by the Asset Purchasers to AVDSI consists of the payment of C$100,000 and the assumption of substantially all of the current long and short term obligations associated with the automobile dismantling business. The Asset Purchasers are at arm's length to the Company and AVDSI. The sale was approved by the board of the directors of the Company and AVDSI on November 15, 2007. No finder's fee paid in relation to the Acquisition.

The Acquisition has closed in escrow subject to the satisfaction or waiver of certain standard conditions precedent including the receipt of shareholder approval and Exchange acceptance of the Acquisition on or before December 31, 2007. The Company will be seeking shareholder approval at its annual meeting to be held on December 28, 2007.

The entering into and completion of the Acquisition was conditional upon the Asset Purchasers concurrently selling their long-term debt in AVDSI and the Company. As a result, concurrently with the closing in escrow of the Acquisition, the sale of an aggregate of C$2,950,000 of outstanding convertible debentures (the "Debenture Acquisition") by the Asset Purchasers to certain purchasers (the "Debenture Purchasers") at arm's length to the Company, also closed in escrow.

Under the terms of the escrow agreement, governing both the Acquisition and the Debenture Acquisition, the Debenture Purchasers advanced C$193,400 of the debenture acquisition price to AVDSI to facilitate it meeting its payment obligations between the date of the agreements being signed and placed into escrow and the final completion date. If the Acquisition and the Debenture Acquisition do not close, the Company will enter into a loan agreement with the Debenture Purchasers for the above referenced advance amount. However, if the Acquisition and the Debenture Acquisition do close, neither the Company nor AVDSI will have any liability for the advance.

As of the closing in escrow, Charles Hodgkinson, the President and CEO of the Aadco Automotive Inc. (the Company) has resigned from his position of President and CEO of the AVDSI, and Mr. Vince Bulbrook will assume management of the auto dismantling business on behalf of the Asset Purchasers. However, Mr. Hodgkinson will be providing consulting services to AVDSI up to the completion date of the Acquisition. Additionally, Mr. Steven Li and Mr. Steven Dole have resigned as directors and committee members of the Company and have been replaced by Phillip Bretzloff. Mr. Bretzloff brings over 30 years experience to his role with the company, Phillip Bretzloff has acted for oil, gas and energy companies, including extensive work for Canadian and offshore private and public corporations. From 1980 to 1995, he was the Senior Counsel for Petro-Canada. Subsequently, he was a Partner for 8 years with Cumming Blackett Bretzloff Todesco, Gowlings, and Baker & McKenzie, where his clients included PetroChina, Shell, Exxon Mobil, GazProm and Veba Oil and Gas. He is currently the VP Legal and General Counsel for Dejour Enterprises Ltd. (Amex listed: DEJ)

Assuming the completion of the Acquisition, the Company may not have an operating business and its common shares may then trade on the Exchange's NEX board until such time as it graduates to the Exchange's Tier 2 on the completion of a Change of Business, Reverse Take Over or acquisition of qualifying assets. The Company is in the process of securing a working capital loan that will provide it with the funds needed to seek new assets or a business.

Charles A. Hodgkinson, President, states: *"While internal company analysis indicates that the auto parts business of AADCO could break even if undertaken in a private company where the costs of operating as a public company are removed; key shareholders and principals of the Company feel that AADCO's shareholders will be much better served by the Company seeking new opportunities in a market sector with significantly greater expansion and profit potential. Company principals feel this transition is in the best interests of both the Company shareholders who will exit a business totally unprofitable to date, and AVDSI employees who will transit to a new operating regime. It is expected that the accruing tax losses of both the parent and subsidiary, estimated to be in excess of $17 million will remain intact through this transition".*

Corporate Reorganization

At the Annual General Meeting to be held December 28, 2007 in Vancouver, the Company anticipates seeking, among other items, shareholder approval for:

1. The sale of operating assets as described above.
2. The authority to pursue a new line of business, and a change of name.
3. The election of a revised slate of directors.
4. A five to one consolidation of the Company's equity capital and subsequently, equitizing of all secured debt of the Company.

This press release includes forward-looking statements, including statements relating to the Company's sale of its automobile dismantling business. The words "plan", "expect", "believe", "intend", "anticipate", "forecast", "target", "estimate" and similar expressions identify forward-looking statements. Forward-looking statements are based on assumptions made by and information currently available to the Company. Investors are cautioned that these forward-looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. The Company does not undertake to review or update these forward-looking statements.