

Material Change Report
(Form 51-102F3)

Item 1. Name and Address of Corporation

ADF Group Inc. (the "Corporation")
300, Henry-Bessemer
Terrebonne (Québec) J6Y 1T3

Item 2. Date of Material Change

December 1, 2006

Item 3. News Release

See attached copy of the press release disseminated through CNW on December 4, 2006.

Item 4. Summary of Material Change

On December 1, 2006, a client of the Corporation had to cancel the two recently awarded contracts in the Midwest.

Item 5. Full Description of Material Change

See attached copy of the press release disseminated through CNW on December 4, 2006.

Item 6. Confidential Report

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

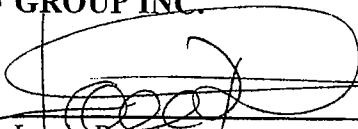
Louis Potvin, Chief Financial Officer, (450) 965-1911

Item 9. Date of Report

December 7, 2006

ADF GROUP INC.

By :



Louis Potvin
Chief Financial Officer

Attention Business/Financial Editors:

ADF Group Inc. announces that the client cancels both fabrication contracts in the Midwest United-States awarded to ADF - ADF will record a gain further to this cancellation

TERREBONNE, QC, Dec. 4 /CNW Telbec/ - ADF GROUP INC. ("ADF" or the "Company") (TSX: DRX) announces that its customer had to cancel the two recently awarded contracts in the Midwest following conditions that are beyond ADF's control and that are not attributable to the Company's performance. Management adds that this announcement will not affect the current level of employment.

As stipulated in both contracts awarded at the end of September 2006, the customer will pay ADF full compensation for all its costs incurred to date, including, amongst others, the committed costs with its suppliers as well as ADF's costs related to work in progress to date. As stated in the contracts, ADF is entitled to a cancellation fee for overhead and profit between a minimum of 3.0 million dollars US to a maximum of 10.0 million dollars US, depending on certain milestones to be determined.

The customer has committed to resolve this issue with ADF the latest on January 31, 2007.

Further to this announcement, ADF has revised its backlog, which stood at 47.0 million dollars on October 31, 2006. This backlog represents the same amount of fabrication hours sold during the first nine months of this current fiscal year. With the current backlog, fabrication is assured until the end of the summer 2007. Furthermore, with its current bidding activity, ADF is confident that it can increase its backlog in the near future.

"This is an unfortunate event for our customer, but on the other hand it has permitted us to introduce our Company to one of the top five engineering procurement contractor (EPC) in the world. They now know what we are capable of doing. They should be back with other promising projects", said Jean Paschini, Chairman of the Board and Chief Executive Officer.

The Results of the Third Quarter Ended October 31, 2006

The Company will disclose the results of its third quarter ended October 31, 2006 during the week ending on December 15, 2006.

About ADF

ADF Group Inc. is a North American leader in the design, engineering, fabrication and selective installation of complex steel superstructures, as well as in architectural metal work. ADF is one of the few players in the industry capable of handling highly technically complex megaprojects on fast-track schedules in the commercial, institutional, industrial and public sectors.

Forward-Looking Information

This press release contains forward-looking statements reflecting ADF objectives and expectations. These statements are identified by the use of verbs such as "expect" as well as by the use of future or conditional tenses. By their very nature these types of statements involve risks and uncertainty. Consequently, reality may differ from ADF's expectations.

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For further information: Jean Paschini, Chairman of the Board and Chief Executive Officer; Louis Potvin, Chief Financial Officer, (450)965-1911, 1 (800) 263-7560, Web Site: www.adfgroup.com; Source: ADF Group Inc.

ADF GROUP INC. - More on this organization

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