MATERIAL CHANGE REPORT

FORM 51-102F3

Item 1. Name and Address of Company

Armtec Infrastructure Income Fund (the "**Fund**")
370 Speedvale Avenue West, Suite 3
Guelph, Ontario N1H 7M7

Item 2. Date of Material Change

June 16, 2010

Item 3. News Release

A news release disclosing the nature and substance of the material change was disseminated via CNW Group on June 16, 2010.

Item 4. Summary of Material Change

The Fund announced that it had entered into an agreement with a syndicate of underwriters co-led by Scotia Capital Inc. and BMO Capital Markets under which the underwriters have agreed to buy 40,000 convertible unsecured subordinated debentures of the Fund at a price of $1,000 per debenture representing an aggregate issue of $40 million principal amount of debentures. The offering is expected to close on or about June 30, 2010 and is subject to regulatory and stock exchange approvals.

Item 5. Full Description of Material Change

See copy of news release dated June 16, 2010 annexed hereto as Schedule A.

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

Not Applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

Charles M. Phillips
President & Chief Executive Officer
Armtec Limited Partnership
(519) 822-0210
cphillips@armtec.com

Item 9. Date of Report

June 21, 2010.

Schedule A

armtec

FOR IMMEDIATE RELEASE

Toronto Stock Exchange: ARF.UN

Armtec Infrastructure Income Fund Announces Bought Deal Financing

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

Guelph, Ontario, June 16, 2010 – Armtec Infrastructure Income Fund ("Armtec", or "the Fund") today announced that it has entered into an agreement with a syndicate of underwriters co-led by Scotia Capital Inc. and BMO Capital Markets under which the underwriters have agreed to buy 40,000 convertible unsecured subordinated debentures ("Debentures") of the Fund at a price of $1,000 per Debenture, representing an aggregate issue of $40,000,000 principal amount of debentures (the "Offering"). The Offering is expected to close on or about June 30, 2010 and is subject to regulatory and stock exchange approvals.

The Debentures will mature on June 30, 2017 and will accrue interest at the rate of 6.50% per annum payable semi-annually in arrears on June 30 and December 31 in each year, commencing on December 31, 2010. At the holder's option, the Debentures may be converted into trust units of the Fund at any time prior to the earlier of the maturity date and the date of redemption specified by the Fund at a conversion price of $26.90 per unit.

The Debentures will be direct, unsecured obligations of Armtec, subordinated to other indebtedness of the Fund and ranking equally with all other unsecured subordinated indebtedness.

The Debentures will not be redeemable before and including June 30, 2013. On or after July 1, 2013 and prior to July 1, 2015, Armtec may, at its option, redeem the Debentures in whole or in part provided that the volume weighted average trading price of the trust units of the Fund on the Toronto Stock Exchange during the 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of redemption is given is not less than 125% of the conversion price. On or after July 1, 2015 and prior to the maturity date, Armtec may, at its option, redeem the Debentures, in whole or in part, from time to time at par plus accrued and unpaid interest.

Proceeds from the Offering will be used to repay indebtedness and for general corporate purposes.

"This financing strengthens our balance sheet and increases our financial flexibility allowing us to continue to capitalize on the substantial opportunities created by the strong infrastructure spending trends across Canada," said Charles Phillips, President and Chief Executive Officer. "We remain focused on delivering accretive growth for our unitholders, and believe our unique national presence and broad product offering will continue to benefit us in the national infrastructure market."

A preliminary short-form prospectus will be filed with securities regulatory authorities in all provinces of Canada, other than Quebec. The securities offered have not and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction.

ABOUT ARMTEC INFRASTRUCTURE INCOME FUND

Armtec Infrastructure Income Fund is a leading manufacturer and marketer of a comprehensive range of infrastructure products and engineered construction solutions for customers in a diverse cross-section of industries that are located in every region of Canada, as well as in selected markets globally. These markets include Canada's national and regional public infrastructure markets and private sector markets in residential construction, commercial building, agricultural drainage and natural resources. Operating through its network of regional offices and production facilities across the country, Armtec's broad range of engineered solutions include products for drainage, bridge applications, soil retention, rehabilitation and water management systems including corrugated high-density polyethylene, corrugated steel and concrete pipe; an array of architectural and structural precast and pre-stressed concrete products from steps, paving stones, slabs and wall panels to highly engineered structural components designed and installed for projects such as bridges, sports venues and parking garages; and, a full suite of noise barriers, acoustic enclosure and wall systems along with associated retaining wall and traffic barrier systems. Armtec Infrastructure Income Fund is listed on the TSX under the ARF.UN symbol. For more information, please visit www.armtecincomefund.com.

RISKS AND UNCERTAINTIES

The Fund is subject to certain risks and uncertainties that could have a material adverse effect on the Fund's results of operations, business prospects, financial condition, cash distributions to unitholders and the trading price of the Fund's units. These uncertainties and risks include, but are not limited to: industry cyclicality; competition; acquisition and expansion risk; capital and liquidity risk; current global financial conditions; reduction in demand for products; information management; credit risk; relationships with suppliers; lack of long-term agreements; expiration of rights under license and distribution arrangements; availability and price volatility of raw materials; product liability; intellectual property; reliance on key personnel; labour markets; environmental; collective bargaining; currency fluctuations; interest rates; uninsured and underinsured losses; operating hazards; risk of future legal proceedings; securities laws compliance and corporate governance standards; geographical risk; seasonality and adverse weather; geopolitical; and certain risks related to the structure of the Fund including dependence on the Fund's subsidiaries; income tax matters; unitholder limited liability; leverage and restrictive covenants; credit facilities; nature of units; distribution of securities on redemption or termination of the Fund; restrictions on potential growth; effect of market interest rates on price of units; undiversified and illiquid holdings in Armtec Operating Trust; potential dilution. Cash distributions are not guaranteed. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by Armtec Infrastructure Income Fund with the securities regulatory authorities, available at www.sedar.com.

FORWARD-LOOKING STATEMENTS

This news release may contain "forward-looking" statements within the meaning of applicable securities legislation which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Fund or industry results, to be materially different from any future results, events, expectations, performance or achievements expressed or implied by such forward-looking statements. All such forward-looking statements are made pursuant to the "safe harbour" provisions of applicable Canadian securities legislation. Forward-looking statements may include comments with respect to the Fund's objectives, strategies to achieve those objectives, expected financial results, the outlook for the Fund's business, the expected completion of the Offering and the Fund's expected use of proceeds. Forward-looking statements typically contain such words or phrases such as "may", "outlook", "objective", "intend", "estimate", "anticipate", "should", "could", "would", "will", "expect", "believe", "plan" and other similar terminology suggesting future outcomes or events. These statements reflect current expectations regarding future events and operating performance and are based on information currently available to the Fund's management.

Forward-looking statements involve numerous assumptions, and significant and inherent risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. You should not unduly rely on forward-looking statements as a number of factors, many of which are beyond the control of the Fund, could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to the factors discussed under "Risks and Uncertainties" and in the Fund's materials filed with the Canadian securities regulatory authorities from time to time including the Annual Information Form and that the closing conditions for the Offering may or may not be satisfied or waived within the timeline contemplated by the Fund or otherwise. Although the forward-looking statements contained in this release are based upon what management of the Fund believes are reasonable assumptions, the Fund cannot assure investors that actual results will be consistent with these forward-looking statements. All forward-looking statements in this news release are qualified by these cautionary statements. These forward-looking statements and outlook are made as of the date of this news release and, except as required by applicable law, the Fund assumes no obligation to update or revise them to reflect new events or circumstances.

For more information, please contact:

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