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

September 22, 2010

Item 3. News Release

A news release disclosing the nature and substance of the material change was disseminated via CNW Group on September 22, 2010.

Item 4. Summary of Material Change

Armtec Holdings Limited (the "Issuer"), an indirect wholly-owned subsidiary of the Fund, announced that it had completed the offering of C$150 million aggregate principal amount of 8.875% senior unsecured notes due 2017 (the "Notes"). The Notes were offered by a syndicate led by Scotia Capital Inc. and TD Securities Inc. by way of a private placement under applicable securities laws in all provinces of Canada.

The Issuer also announced that it had entered into a new credit agreement with its existing syndicate of Canadian financial institutions led by Scotia Capital to replace the current term, bridge and revolving credit facilities provided to all entities within the Armtec group. The new credit facility will provide the Issuer with revolving credit in an aggregate maximum principal amount of C$250 million. The new credit facility will mature in September 2015 with full repayment due on its maturity date.

Item 5. Full Description of Material Change

See copy of news release dated September 22, 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**

September 29, 2010

Schedule A

armtec

FOR IMMEDIATE RELEASE

Toronto Stock Exchange: ARF.UN and ARF.DB

Armtec Holdings Limited Announces Completion of Private Placement of $150,000,000 8.875% Senior Unsecured Notes due 2017 and New Credit Facility

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

Guelph, Ontario, September 22, 2010 – Armtec Holdings Limited (the "Issuer"), an indirect wholly-owned subsidiary of Armtec Infrastructure Income Fund (the "Fund"), today announced that it has completed the previously announced offering (the "Offering") of C$150 million aggregate principal amount of 8.875% senior unsecured notes due 2017 (the "Notes"). The Notes were offered by a syndicate led by Scotia Capital Inc. and TD Securities Inc. by way of a private placement under applicable securities laws in all provinces of Canada. Proceeds of the Offering will be used to repay indebtedness of the Armtec group and for general corporate purposes.

The Issuer also today announced that it has entered into a new credit agreement with its existing syndicate of Canadian financial institutions led by Scotia Capital to replace the current term, bridge and revolving credit facilities provided to other entities within the Armtec group. The new credit facility will provide the Issuer with revolving credit in an aggregate maximum principal amount of C$250 million. The new credit facility will bear interest at rates calculated with regard to certain financial ratios of the Fund and vary in accordance with borrowing rates in Canada and the United States. The new facility will be secured by a charge on the assets of the Armtec group, subject to certain exceptions. The new facility will mature in September 2015 with full repayment due on its maturity date.

ABOUT ARMTEC

The Armtec group 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. Armtec operates through its network of regional offices and production facilities across the country. Armtec has produced a broad range of engineered solutions, including 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. The Fund is listed on the TSX under the ARF.UN and ARF.DB symbols. 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 securities. 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. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by the 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 objectives of the Fund and the 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 management for the Armtec group.

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 Fund's Annual Information Form and that the closing conditions for the Offering may or may not be satisfied or waived within the timeline contemplated or otherwise. Although the forward-looking statements contained in this release are based upon what management of the Armtec group believes are reasonable assumptions, Armtec 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, Armtec assumes no obligation to update or revise them to reflect new events or circumstances.

For more information, please contact:

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