MATERIAL CHANGE REPORT

FORM 51-102F3

Item 1. **Name and Address of Company**

Armtec Infrastructure Inc.
370 Speedvale Avenue West, Suite 3
Guelph, Ontario N1H 7M7

Item 2. **Date of Material Change**

January 1, 2011

Item 3. **News Release**

A news release disclosing the nature and substance of the material change was disseminated via CNW Group on January 4, 2011.

Item 4. **Summary of Material Change**

Armtec Infrastructure Inc. and Armtec Infrastructure Income Fund announced the closing of the previously announced plan of arrangement resulting in the successful conversion of the Fund from an income trust to a corporate entity named Armtec Infrastructure Inc.

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

See copy of news release dated January 4, 2011 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**

January 4, 2011.

Schedule A

armtec
VISION | BUILT

FOR IMMEDIATE RELEASE
Toronto Stock Exchange: ARF; ARF.DB

Armtec Infrastructure Income Fund Completes Conversion To Armtec Infrastructure Inc.

GUELPH, ONTARIO, January 4, 2011 - Armtec Infrastructure Inc. and Armtec Infrastructure Income Fund (the “Fund”) are pleased to announce the closing of the previously announced plan of arrangement (the “Arrangement”) resulting in the successful conversion of the Fund from an income trust to a corporate entity named Armtec Infrastructure Inc. (“Armtec”). Pursuant to the Arrangement, each holder of Fund units received, for each Fund unit held, one common share of Armtec (the “Common Shares”). In connection with the Arrangement, Armtec has assumed all of the obligations of the Fund under the 6.5% convertible unsecured subordinated debentures (the “Debentures”). It is expected that the Common Shares and the Debentures will commence trading on the Toronto Stock Exchange under the symbols "ARF" and “ARF.DB”, respectively, on or about January 4, 2011, at which time the Fund units will be delisted.

Armtec will continue to carry on the business previously conducted by the Fund. The trustees and senior management of the Fund will continue as directors and officers of Armtec.

The holders of Fund units and Debentures are not required to take any specific action with respect to the exchange of Fund units for Common Shares or the assumption of obligations under the Debentures.

ABOUT ARMTEC INFRASTRUCTURE INC.

Armtec Infrastructure Inc. 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 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. For more information, please visit www.armtec.com.

FORWARD-LOOKING STATEMENTS

This news release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws (“forward-looking statements”). All statements other than statements of historical fact contained herein are forward-looking statements, including, without limitation, the expected date the Common Shares and the Debentures will be listed on the Toronto Stock Exchange. Prospective investors can identify many of these statements by looking for words such as “believe”, “expects”, “will”, “intends”, “plans”, “projects”, “anticipates”, “estimates”, “continues” and similar words or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur. Forward-looking statements reflect current expectations regarding future events and are based on information currently available to the management of Armtec. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct.

By their nature, forward-looking statements require assumptions and are subject to inherent risks and uncertainties, including those discussed herein. There is significant risk that forward-looking statements will not prove to be accurate. You are cautioned not to place undue reliance on forward-looking statements made herein because a number of factors could cause actual future results, conditions, actions or events to differ materially from the expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: industry cyclicality; competition; reduction in demand for products; collection from customers; relationships with suppliers; lack of long-term agreements; expiration of rights under licence and distribution arrangements; raw material price volatility; product liability; intellectual property; reliance on key personnel; environmental; collective bargaining; interest rates; uninsured and underinsured losses; operating hazards; risks of future legal proceedings; dependence on other Armtec subsidiaries; income tax matters; leverage and restrictive covenants; credit facilities; distribution of securities on redemption or termination of Armtec; restrictions on potential growth; and potential dilution. You are cautioned that the foregoing list of factors is not exhaustive and that, when relying on forward-looking statements to make decisions with respect to Armtec, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. Armtec undertakes no obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities law.

Risks related to Armtec have been summarized in Armtec's latest Annual Information Form, Management's Discussion and Analysis included in the Annual Report and quarterly financial reports available on www.sedar.com or Armtec's web site at www.armtec.com.

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