FORM 51-102 F3

MATERIAL CHANGE REPORT

ATRIUM INNOVATIONS INC.

1. Reporting Issuer

Atrium Innovations Inc. (the "Corporation")
1405 boulevard du Parc-Technologique
Quebec, Quebec, G1P 4P5

2. Date of Material Change

December 31, 2010

3. Press Release

The Corporation issued a press release, on January 4, 2011, indicating the material change. The press release was disseminated via CNW and filed on SEDAR. A copy of the press release is attached hereto as Schedule A.

4. Summary of Material Change

On December 31, 2010, the Corporation has acquired Seroyal International Inc. ("**Seroyal**"), an Ontario-based corporation, for a total cash consideration of US$110 million.

5. Full Description of Material Change

On December 31, 2010, the Corporation has acquired Ontario-based Seroyal, which commercializes premium dietary supplement brands targeting primarily the healthcare practitioner (HCP) channels in Canada and, through its affiliates Seroyal U.S.A. Inc. and Lifelong Nutrition Inc., in the USA. Seroyal's product portfolio consists of three main brands: Genestra, Unda and Pharmax, which brands are well known among HCP channels. Another brand, CoreLab, owned in a joint venture, is a Health Food Store brand currently sold in the USA.

The price of this acquisition represents a total cash consideration of US$110 million and the transaction is subject to no future earn-out payments.

6. Reliance on Confidentiality Section of the Act

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

Further information regarding the matters described in this report may be obtained from Mr. Mario Paradis, Vice President and Chief Financial Officer. Mr. Paradis, who is knowledgeable about the details of the material change, may be contacted at (418) 652-1116.

9. Date of the Material Change Report

January 10, 2011.

SCHEDULE A

PRESS RELEASE

See attached.

PRESS RELEASE
FOR IMMEDIATE RELEASE

Atrium Innovations acquired Seroyal – a North American leader in providing well recognized and high quality brands to healthcare practitioners

Will reinforce Atrium's leadership in the North American HCP market and provide critical scale to Canadian operations

Quebec City (Quebec), January 4, 2011 – Atrium Innovations Inc. (TSX: ATB), a recognized leading developer, manufacturer and marketer of professionally endorsed, science-based dietary supplements for the health and nutrition industry, today announced the purchase of Ontario-based Seroyal International, which commercializes premium dietary supplement brands targeting primarily the healthcare practitioner (HCP) channels in Canada and in the U.S. with annualized consolidated revenues of approximately US$40 million. The transaction closed on December 31, 2010.

Seroyal's product portfolio consists of three main brands: Genestra, Unda and Pharmax. These brands are well known among HCP channels and account for close to 90% of total revenues with Genestra being the core of these HCP brands. Another brand, CoreLab, owned in a joint venture, is a Health Food Store brand currently sold in the U.S. In addition, the company is the exclusive distributor for the Canadian and U.S. markets of Unda, a European homeopathic brand. Revenues derived from the Canadian and U.S. markets account respectively for approximately 65% and 35% of total sales. This acquisition will add quality branded products to complement Atrium's family of products.

Seroyal is well known and recognized for its extensive Continuing Education Program via seminars and teleconferences that are supported by internationally recognized practitioners and educators. The Continuing Education Program is a powerful tool to establish industry credibility among HCPs and is at the centre of marketing initiatives.

"Seroyal is one of the largest acquisitions in our short history. It will allow Atrium to surpass the important milestone of US$100 million in EBITDA. Moreover, it will provide us with a leading position in the North American HCP channel and create a significant presence in Canada when combined with our existing operations," said Pierre Fitzgibbon, President and CEO of Atrium.

“This acquisition adds premium, high margin and complementary brands to Atrium’s family of products. Within our multi-channel strategy, we envision some cross-selling opportunities with these new brands and some operating synergies.

“As an organization, we strongly believe in the leadership role we need to take in the education process for the better understanding of our industry given our science-based approach. From that perspective, Seroyal’s extensive Continuing Education Program with HCPs is a perfect fit. Our intention is to leverage its programs for the benefit of all our customers and brands.

“Seroyal’s management team has done an excellent job at growing Seroyal and in creating multi-business opportunities by way of product and market development initiatives for the upcoming years. It provides us with a powerful platform for future growth.

“We are also very pleased with our association with Dr. Nigel Plummer, a high profile and key speaker in many industry seminars and our joint venture partner for the distribution of our CoreLab brand. Dr. Plummer has an exceptional worldwide reputation in clinical research and nutraceutical development, particularly in the pro- and prebiotic categories,” concluded Mr. Fitzgibbon.

For the past twelve months, Seroyal reported consolidated revenues of approximately US$40 million. Under the terms of the acquisition, Atrium acquired Seroyal for a total cash consideration of US$110 million and the transaction is subject to no future earn-out payments. The total acquisition price implies a LTM EBITDA ratio of 7.5 times. This acquisition combined with the recently announced acquisition of Minami will be immediately accretive by US$0.22 per share on an annualized basis. These acquisitions were financed with available cash and bank facilities.

“Taking into account this acquisition and the recent acquisition of Minami Nutrition, the net debt to pro forma EBITDA ratio stands at 2.6 times, a leverage level we are very comfortable with and in our target range,” said Mario Paradis, Vice President and Chief Financial Officer. “Considering the low capital expenditures and working capital requirement of our businesses, we have the option of dedicating a large portion of cash flow to debt reduction. Alternatively, depending on circumstances, we may dedicate it to other opportunities to enhance shareholder value.”

Financial Guidance (Amounts are in US dollars)

Atrium is providing the following financial guidance: The Q4 2010 revenues, EBITDA and EPS will be slightly lower than those of Q4 2009 primarily due to unfavourable currency exchange rates. For the 2011 financial year, the revenues are expected to be between $424 million-$432 million, the EBITDA between $105 million-$110 million, the fully diluted EPS between $1.87-$1.96 and the cash flow before working capital between $70 million-$75 million.

About Atrium

Atrium Innovations Inc. is a globally recognized leader in the innovation, formulation, production and commercialization of science-based and professionally endorsed dietary supplements for the health & nutrition industry. The Company focuses primarily on growing segments of the health and nutrition markets that are benefiting from the trends towards healthy living and the ageing of the population. Atrium markets a broad portfolio of finished products through its highly specialized sales and marketing network in more than 35 countries, primarily in North America and Europe. Atrium has approximately 1,000 employees and operates seven manufacturing facilities. Additional information about Atrium is available on its website at www.atrium-innovations.com.

About Seroyal International

Seroyal is based in Toronto and was founded in 1984. The company sells three branded families of products (i.e. Genestra, Pharmax and CoreLab) and has distributed the Unda European homeopathic brand, since 1990. Seroyal has a complete portfolio of branded products that target healthcare practitioners such as naturopaths, nutritionists, chiropractors, medical doctors and acupuncturists. The Company has over 70 employees in Canada and the U.S. Additional information about Seroyal is available on its website at www.seroyal.com.

Conference Call and Webcast

Atrium will hold a conference call and webcast at 11:00 a.m. Eastern time on January 4, 2011. Participants may access the conference call by using the following numbers: (514) 807-9895, (888) 231-8191 or (647) 427-7450. A live webcast is also available via the Company's website at www.atrium-innovations.com in the *News Center* section. A replay of the webcast will also be available on our website www.atrium-innovations.com for a period of 30 days.

Cautionary Note and Forward-Looking Statements

This press release contains certain forward-looking statements with respect to the Company. These forward-looking statements, by their nature, necessarily involve risks and uncertainties that could cause actual results to differ materially from those contemplated by these forward-looking statements. The Company considers the assumptions on which these forward-looking statements are based to be reasonable, but cautions the reader that these assumptions regarding future events, many of which are beyond its control, may ultimately prove to be incorrect since they are subject to risks and uncertainties that affect the Company. For additional information with respect to these and other factors, see the Company's quarterly and annual filings with the Canadian securities commissions. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law.

Investor Relations:
Mario Paradis
Vice President and Chief Financial Officer
Tel.: 418 652-1116
mp@atrium-innovations.com

Media Relations:
Amélie Germain
Director of Communications
Tel.: 418 652-1116
ag@atrium-innovations.com

Pierre Boucher
MaisonBrison Communications
Tel.: 514 731-0000, ext. 237
pierre@maisonbrison.com

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