

Armtec Infrastructure Income Fund

To Our Unitholders

Armtec is pleased to have successfully completed the acquisition of Con-Force. The transaction announced during the third quarter subsequently closed on October 1, 2007. Con-Force is a leading manufacturer and installer of precast and pre-stressed concrete components for a variety of applications, including bridges, parkades, stadiums, office and residential buildings. The diversity of products sold by Armtec has been further expanded with this transformational acquisition. Con-Force's largest market is the growing infrastructure market in Western Canada and the company has also developed a strong reputation in the northwestern United States. The acquisition is a major step forward for Armtec allowing the Company to reduce the effects of seasonality as many of Con-Force's products can be installed throughout the year. Con-Force has experienced significant growth in Western Canada over the last two years and has made significant capital investments to be able to accommodate increased volumes through productivity improvement. The Fund will continue to integrate Con-Force over the next few quarters.

Highlights:

- Revenues of \$63.8 million, an increase of 6.3% or \$3.8 million from the same quarter last year, driven by strong sales in infrastructure and residential markets, offsetting declines experienced in natural resources. For the nine month period, revenue grew \$5.2 million to \$135.5 million due to improved sales into the infrastructure, agricultural and residential markets.
- Gross margin improvement to \$21.1 million or 33.0 % of revenues for the third quarter, and for the nine month period to \$42.3 million or 31.2% of revenues. Margin improvement is attributed to implemented lean manufacturing initiatives combined with a favourable product mix.
- EBITDA¹ increased to \$12.9 million compared to \$11.9 million for the same quarter in 2006 and to \$21.1 million, for the nine month period of 2007, up from \$18.7 million last year.
- Distributable cash¹ increased to \$12.2 million from \$10.8 million for the third quarter of 2007 and to \$19.3 million for the nine months period from \$16.1 million last year.
- Declared distributions of \$12.1 million up from \$10.1 million for the nine months period of 2006.
- Monthly distributions increased to \$0.14 to be paid to unitholders of record on October 31, 2007. The Fund's 2007 performance is expected to result in a special distribution at year end such that the Fund should not pay income tax on its 2007 earnings.

Armtec achieved excellent third quarter growth on strong infrastructure and residential volumes particularly in the Western Canadian market. The strong third quarter results have built on the first two quarters resulting in sales of \$135.5 million, or an increase of 3.9% as compared to 2006. Strength in the infrastructure markets, particularly in the very active Western Canadian marketplace, have supported the Fund's year over year growth. The Fund also had significant growth in the agricultural and residential markets offsetting declines experienced so far this year in the natural resource sector. The Fund continues to implement lean manufacturing initiatives which, combined with a favourable product mix, contributed to improved margins in 2006. The Fund has incurred some non recurring expenses during the current year yet still achieved record EBITDA levels for the nine month period.

The outlook for the remainder of 2007 remains positive. Infrastructure spending across the country will continue to support demand for Armtec's base products and the newly acquired Con-Force product line. The outlook for our private markets is mixed with improving conditions in agricultural and residential offset by weakness in the forestry market.

We look forward to updating you on our progress at the end of the year.

Sincerely,

Robert J. Wright
Chairman of the Board of Trustees
October 31, 2007

Charles M. Phillips
President and Chief Executive Officer
October 31, 2007

¹ For more information, refer to the Non-GAAP measures section of the attached Management's Discussion and Analysis.

Armtec Infrastructure Income Fund

Management's Discussion and Analysis

For the three and nine months ended September 30, 2007

The following Management's Discussion and Analysis ("MD&A") of Armtec Infrastructure Income Fund for the three and nine months ended September 30, 2007 should be read in conjunction with the unaudited interim consolidated financial statements and accompanying notes thereto as well as the audited consolidated financial statements for the year ended December 31, 2006, accompanying notes thereto and other public disclosures available. In this MD&A, the terms "the Fund", "Armtec" or "the Company" mean Armtec Infrastructure Income Fund together with the Fund's portion of its joint venture, Fixon-Armtec Ltd., and its subsidiaries: Armtec Operating Trust, Armtec Holdings Limited, Armtec Limited Partnership Corp. and Armtec Limited Partnership.

This MD&A has been prepared as at October 31, 2007.

Additional information regarding the Fund, including continuous disclosure materials such as the Annual Information Form, is available on the Fund's website at www.armtecincomefund.com or through SEDAR at www.sedar.com.

The financial information contained herein has been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"); however, reference is made to earnings before interest, taxes (other than capital taxes), depreciation and amortization ("EBITDA") and distributable cash, including references to sustaining and generative capital expenditures which are not a measure of financial performance under Canadian GAAP. The Fund has included this information as it is used by management as a measure of financial performance and management believes it is used by certain investors and analysts as a measure of the Fund's financial performance. These measures are not necessarily comparable to similarly titled measures used by other income funds or companies and should not be construed as an alternative to net earnings or cash flow from operating activities as determined in accordance with Canadian GAAP or as a measure of liquidity. See the sections entitled "Cash Flow and Liquidity" and "Non-GAAP Measures" for further information.

Unless indicated otherwise, all dollar amounts, except per unit amounts, are expressed in thousands of Canadian dollars. All prior period results have been reclassified to conform to the current presentation.

Overview of the Fund

The Fund is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated June 15, 2004, as amended and restated on July 27, 2004. The Fund commenced active operations on July 27, 2004. Subsequent to the third quarter ended September 30, 2007 the Fund acquired for approximately \$120 million before transaction costs and subject to working capital adjustments, all of the outstanding shares of the corporations which, directly or indirectly, carry on the Con-Force business ("Con-Force"). Con-Force is a premier manufacturer and installer of precast and pre-stressed concrete components for a variety of structures, including bridges, parkades, stadiums, office and residential buildings.

Armtec is a leading manufacturer and marketer of drainage products and engineered solutions for infrastructure applications in a diverse cross-section of industries, including the public infrastructure market and private sector markets such as natural resources, residential drainage, and agricultural drainage in Canada. Armtec is Canada's only national multi-material manufacturer specializing in corrugated high density polyethylene ("HDPE") pipe, corrugated steel pipe ("CSP") and related engineered products. Armtec also distributes a broad line of water control and geosynthetic products, and sells internationally certain high value-added engineered products manufactured in Canada and South Korea.

The Fund's units trade on the Toronto Stock Exchange under the symbol ARF.UN.

Results of Operations

(in thousands of Canadian dollars) (unaudited)	Three Months Ended		Nine Months Ended	
	September 30, 2007	September 29, 2006	September 30, 2007	September 29, 2006
Revenue	\$ 63,847	\$ 60,079	\$ 135,458	\$ 130,341
Cost of sales	41,853	39,974	90,455	88,933
Amortization of property, plant and equipment	911	853	2,704	2,584
Gross margin	21,083	19,252	42,299	38,824
As a % of revenue	33.0%	32.0%	31.2%	29.8%
Distribution and warehousing	3,214	2,826	6,776	6,642
Selling, general and administrative	5,847	5,375	17,121	16,033
Amortization of intangible assets	656	603	1,969	1,745
Earnings from operations	11,366	10,448	16,433	14,404
Interest and financing expenses	(550)	(853)	(1,409)	(2,035)
Earnings before taxes	10,816	9,595	15,024	12,369
Interest and financing expenses	550	853	1,409	2,035
Total amortization	1,567	1,456	4,673	4,329
EBITDA	\$ 12,933	\$ 11,904	\$ 21,106	\$ 18,733
As a % of revenue	20.3%	19.8%	15.6%	14.4%

Overview

Armtec achieved excellent third quarter growth with sales of \$63.8 million, representing an increase of \$3.8 million or 6.3% on strong infrastructure and residential volumes particularly in the Western Canadian market. The strong third quarter results have built on the first two quarters resulting in sales of \$135.5 million, or 3.9% as compared to 2006. Strength in the infrastructure markets, particularly in the very active Western Canadian marketplace, have supported the Fund's year over year growth. The Fund also had significant growth in the agricultural and residential markets offsetting declines experienced so far this year, in the natural resource sector. The Fund continues to implement lean manufacturing initiatives which, combined with a favourable product mix, contributed to improved margins of 31.2% as compared to the 29.8% in 2006. The Fund has incurred some non recurring expenses during the current year yet still achieved record EBITDA levels for the nine month period.

Third Quarter Results

REVENUE

Third quarter revenues of \$63.8 million have increased 6.3% or \$3.8 million from the same quarter last year. Improved volumes in the infrastructure market in Western and Atlantic Canada supported the quarter's sales growth while other markets remained consistent with the comparable 2006 period. Sales growth in the infrastructure and residential markets offset a decline experienced in natural resources during the third quarter due to the timing of customer requirements.

REVENUE BY SIGNIFICANT PRODUCT LINE

(in thousands of Canadian dollars) (unaudited)	Three Months Ended	
	September 30, 2007	September 29, 2006
Pipe Products	\$ 42,927	\$ 40,154
Engineered Products ¹	8,106	8,684
Other Products ¹	12,814	11,241
Total revenue	\$ 63,847	\$ 60,079

¹ During the first quarter of 2007, management re-evaluated the products classified as Engineered Products, and Other Products. As a result of this review, sales of gates and CONTECH[®] Stormwater detention systems, previously classified as Other Products, were classified as Engineered Products. Guardrail, sign posts and other steel based products which do not involve the same level of engineering were moved from Engineered Products and grouped with Other Products. Prior years' figures have been restated to reflect the new classification.

Pipe Products

Pipe revenue increased \$2.7 million or 6.9% to \$42.9 million in the third quarter of 2007. Sales into the infrastructure market showed growth during the quarter, led by Western Canadian markets along with advances in both the Quebec and Central Canadian markets. The residential market also had strong sales in the quarter due in part to the strong economic conditions in Western Canada. Agricultural drainage products are typically installed after the harvest, and are therefore not much of a factor in the third quarter.

Third quarter sales of CSP increased over the levels from the same period in 2006. The growth was attributed to the 2006 acquisitions of CSP manufacturers combined with overall market activity in Western Canada. Sales of HDPE pipe products in the quarter were consistent with 2006 levels.

Engineered Products

Revenue decreased \$0.6 million to \$8.1 million for Engineered Products during the third quarter of 2007 over the same period in 2006 but remained well above last year's total on a year to date basis. These products tend to be used in larger projects and timing of customer requirements impacts the sales of engineered products. In the third quarter of 2006, there were several large export shipments for a project in Russia which is now complete, along with an unusually large energy project in Atlantic Canada. In 2007, as a result of customer requirements for winter and early spring staging, an uncommonly large number of projects were shipped in the first quarter.

A large number of bridge structures were shipped into the Western Canadian market during the quarter offsetting reduced international shipments. The Fund had its first installation of the BEBO bridge product in northern Quebec during the quarter. The BEBO product line was introduced by Armtec in July 2006. Installations of CONTECH Stormwater detention systems have also increased during the third quarter. Armtec entered into a distribution agreement with CONTECH Stormwater Solutions late in the second quarter of 2006. During the second quarter of 2007, Armtec established a joint venture to manufacture bridge products in South Korea. As expected, sales from the start-up of the facility were not significant during the quarter.

Other Products

The third quarter of 2007 revenue for Other Products was \$12.8 million, an increase of \$1.6 million or 14.0% from sales of \$11.2 million in the third quarter of 2006 related to strong sales of guardrail systems for a large highway project in Atlantic Canada.

GROSS MARGIN

Gross margin for the third quarter ended September 30, 2007 was \$21.1 million, an improvement of \$1.8 million over \$19.3 million earned in the third quarter of 2006. As a percentage of sales, margins also improved over 2006 levels by 1.0 percentage point to 33.0% in the third quarter of 2007. Margin improvement is attributed to implemented lean manufacturing initiatives combined with a favourable product mix. The Fund continues to invest in lean manufacturing in order to continually improve manufacturing processes and material utilization. Compared to 2006 levels, amortization of property, plant and equipment in the third quarter of 2007 was flat at \$0.9 million.

EARNINGS FROM OPERATIONS

Earnings from operations for the third quarter ended September 30, 2007 were \$11.4 million, an increase of 9.6% from \$10.4 million for the three months ended in 2006. Improved revenues and margins were partially offset by higher selling, administrative and distribution costs. Increased selling, general and administrative expenses in the quarter included a \$0.4 million loss on the disposal of assets as compared to a gain in 2006 of \$0.2 million. Increased distribution costs reflect an increase in delivery expenses, associated with the revenue increase as well as the mix of products sold.

Amortization of intangible assets increased over the comparative quarter in 2006. In November 2006, Armtec acquired additional intangible assets through the purchase of a culvert manufacturing operation in Saskatchewan. The Fund acquired customer lists and a non-compete agreement. Amortization of these assets commenced in 2007.

EBITDA

EBITDA for the three months ended September 30, 2007 improved 8.4% to \$12.9 million as compared to \$11.9 million in the third quarter of 2006. The 2007 growth was attributed to increased sales with improved margins of \$1.8 million as compared to 2006. Selling, general and administrative costs were 8.8% higher in third quarter due in part to some non recurring expenses and increased distribution costs which are dependent on the volume and type of product shipped.

Year to Date Results

REVENUE

For the nine months ended September 30, 2007, revenues were \$135.5 million, an increase of \$5.2 million or 3.9% over \$130.3 million for the same period of 2006. The increase in revenue was due to improved sales into the infrastructure, agricultural and residential markets. Increased government spending on infrastructure projects in Western Canada offset some declines in other areas. Agricultural installation conditions improved in 2007 as compared to 2006 and crop prices, which drive demand for drainage, are rising due in part to increased agricultural commodity prices. Residential installations, particularly in Western Canada, have also contributed to the growth. Natural resource activity was lower in 2007 as compared to levels during the same period of 2006.

REVENUE BY SIGNIFICANT PRODUCT LINE

(in thousands of Canadian dollars) (unaudited)	Nine Months Ended	
	September 30, 2007	September 29, 2006
Pipe Products	\$ 90,564	\$ 86,667
Engineered Products ¹	18,904	17,540
Other Products ¹	25,990	26,134
Total revenue	\$ 135,458	\$ 130,341

Pipe Products

For the first nine months of 2007, revenues from Pipe Product increased 4.5% to \$90.6 million as compared to \$86.7 million for the same nine month period of 2006. Pipe Product sales into the infrastructure, agricultural and residential markets increased significantly over the same period last year. In the agricultural market, installation conditions improved in 2007 with drier spring weather allowing access to the fields before the growing season was underway.

Increased sales of CSP in 2007 were partially offset by lower HDPE sales as compared to the same period of 2006. Activity in both Western Canada and Quebec has offset declines in other areas of Canada. This growth was supported by the 2006 acquisitions of the construction products division of Twister Pipe Ltd. and the culvert manufacturing and distribution operations of Prairie Steel Products Ltd. and Prairie Steel Manufacturing Ltd. HDPE pipe sales remain lower than 2006 levels. Unit volumes of HDPE pipe products for infrastructure and natural resource applications have actually increased. However as a result of lower prices on HDPE, the price per unit has dropped, resulting in slightly lower overall revenue levels in this product line.

Engineered Products

For the first nine months of 2007, revenues from Engineered Products increased 7.8% to \$18.9 million as compared to \$17.5 million for the same nine month period of 2006. Sales of engineered products are associated with larger projects and are dependent on customer delivery requirements. The nature and mix of project types vary year over year as well. Gate sales have declined in 2007 as compared to 2006 as a significant gate project was completed in the third quarter of 2006. The decline in gate projects has been offset by increasing sales of CONTECH Stormwater treatment solutions and the first shipments of BEBO bridge products during the third quarter. Armtec entered into a distribution agreement with CONTECH Stormwater Solutions late in the second quarter of 2006.

Other Products

For the nine month period ended September 30, 2007, revenue was \$26.0 million, a slight decline of \$0.1 million, from sales of \$26.1 million in the equivalent period in 2006. An increase of sales in guardrail systems across all regions of Canada has offset a decline in Geosynthetic products. Geosynthetic products account for a significant portion of Other Products and experienced a sales decline across Canada during the first three quarters of 2007. In 2006, there was a higher than normal level of Geosynthetic installations in Western Canada and Quebec related to infrastructure applications. The strengthened Canadian dollar has also impacted the unit price of Geosynthetic products which are primarily sourced in the US for distribution in Canada.

GROSS MARGIN

Gross margin for the first nine months of 2007 was \$42.3 million, an improvement of \$3.5 million over \$38.8 million for the same period in 2006. As a percentage of sales, gross margin increased 1.4 percentage points to 31.2% as compared to 29.8% in the same period of 2006. The improved margins were attributed to the increase in sales combined with a favourable product mix and continued lean manufacturing initiatives. Amortization increased slightly to \$2.7 million but remains consistent at 2% of sales for both the 2007 and 2006 periods.

EARNINGS FROM OPERATIONS

Earnings from operations for the nine months ended September 30, 2007 were \$16.4 million, an improvement of \$2.0 million or 12.2% over the comparable period in 2006. Revenue growth combined with improved margins contributed to the improvement in earnings. Selling, general and administrative expenses were \$17.1 million as compared to \$16.0 million in the first nine months of 2006. The Fund had non recurring expenses of \$0.6 million due to a loss on the disposal of assets during the third quarter and one time expenses related to the formation of the joint venture in South Korea and the establishment of a unitholders' rights plan. The Fund has continued to expand sales resources in active market places to be able meet current customer and market demands and to support the expanded product offering. Distribution and warehousing costs were \$0.2 million higher at \$6.8 million when compared to 2006. These costs vary with the volume of sales and mix of products sold.

Amortization of intangible assets increased as expected in the first nine months of 2007 over 2006. Armtec acquired additional intangible assets through the purchase of a culvert manufacturing operation in November 2006. The Fund acquired customer lists and a non-compete agreement and amortization of these assets commenced in 2007. The Fund also entered into a license agreement to sell BEBO Arch Structures in Central and Western Canada in July 2006 which also contributed to the increase.

EBITDA

For the nine months ended September 30, 2007, EBITDA was \$21.1 million compared to \$18.7 million in the same period of 2006. The 12.7% or \$2.4 million increase was primarily due to a 3.9% growth in revenue and improved margins over 2006. Margins were influenced by a shift in product mix related to increased sales of higher margin products. The continuous review and application of lean manufacturing improvements continues to support earnings in a competitive market place. Higher selling and administrative expenses in support of sales efforts in active market areas and some non recurring expenses offset some of the margin improvements achieved so far this year.

Interest and Financing Expenses

During the three and nine months ended September 30, 2007, interest incurred on borrowings declined to \$0.5 million and \$1.3 million respectively due to lower borrowing levels resulting from \$10.0 million paid down in October 2006. This expense is primarily interest on borrowings net of nominal losses on the revaluation of the Fund's interest rate swap. The swap matured during the third quarter of 2007. During the comparative quarter and year to date periods of 2006, interest expense amounted to approximately \$0.8 million and \$1.9 million respectively. Included in interest for the three month period in 2006 was a nominal loss on the interest rate swap, and for the nine months of 2006, a nominal gain on the interest rate swap. The Fund reduced the level of term debt outstanding by \$10.0 million in October 2006 with proceeds from an issuance of additional fund units. During the second quarter of 2007, the Fund advanced approximately \$2.0 million on the term debt to primarily fund the acquisition of manufacturing equipment related to the joint venture in South Korea.

Income Taxes

As the Fund is a mutual fund trust for Canadian income tax purposes, income allocated to unitholders effectively reduces the Fund's current income tax to nil. On June 12, 2007, previously announced tax proposals pertaining to the taxation of income distributed by publicly listed income trusts and the tax treatment of trust distributions to their unitholders were substantively enacted. Management has reviewed the immediate impact of the enactment and has determined that there were no significant changes noted for the Fund. Management anticipates that the Fund will not be subject to tax until January 1, 2011.

During the second quarter of 2007, the Fund paid \$0.6 million related to a reassessment of income taxes for periods prior to July 27, 2004 which had been provided for previously. On July 27, 2004, the Fund indirectly acquired all of the securities of Armtec Holdings Limited which held 100% ownership of Armtec Limited for cash consideration of \$78.4 million. In July 2007, cash of \$0.5 million was received with respect to an indemnification of income tax liabilities incurred prior to July 27, 2004. The funds received were reflected as a reduction of the original consideration paid resulting in the reduction of goodwill.

Future income tax recoveries are recognized as a result of temporary differences related primarily to the amortization of intangible assets present in the subsidiaries of the Fund. In the three months ended September 30, 2007, \$0.2 million was recognized (September 29, 2006 - \$0.2 million). For the nine months ended September 30, 2007, \$0.6 million was recognized (September 29, 2006 - \$0.5 million).

Cash Flow and Liquidity

(in thousands of Canadian dollars) (unaudited)	Three Months Ended		Nine Months Ended	
	September 30, 2007	September 29, 2006	September 30, 2007	September 29, 2006
Cash provided by (used in):				
Operating activities	\$ 9,344	\$ 2,690	\$ 5,720	\$ (706)
Investing activities	656	(1,345)	(2,002)	(9,773)
Financing activities	(10,095)	(1,397)	(3,608)	10,478
Effect of translation adjustment	(7)	-	(17)	-
Net increase (decrease) in cash and cash equivalents	(102)	(52)	93	(1)
Cash and cash equivalents – beginning of period	221	61	26	10
Cash and cash equivalents – end of period	\$ 119	\$ 9	\$ 119	\$ 9

As at September 30, 2007, the Fund's cash and cash equivalents amounted to \$119 as compared to \$9 in the previous year's quarter. The Fund had working capital of \$38.9 million at September 30, 2007, a decrease of \$2.4 million compared to working capital of \$41.3 million at September 29, 2006 and an increase of \$15.9 million over December 31, 2006. Management is of the opinion that this level of working capital is sufficient to meet short-term obligations.

Operating Activities

For the three months ended September 30, 2007, the Fund generated \$9.3 million of cash from operations compared to cash generated of \$2.7 million in the comparative period in 2006. Cash of \$12.8 million was generated before the change in non-cash working capital and was primarily provided by earnings in the period of \$11.0 million. Cash generated before the change in non-cash working capital in 2006 was \$11.0 million, derived from earnings of \$9.8 million.

The third quarter use of cash from changes in non-cash working capital in 2007 was \$3.5 million which was lower than the \$8.3 million used in 2006. During the third quarter, the seasonal nature of the business is characterized by receivables rising as the main selling period peaks and a decrease in payables and inventory as products are sold. The Fund has made efforts to better manage working capital which has led to an improvement during the quarter.

For the nine months ended September 30, 2007, the Fund provided \$5.7 million of cash from operations compared to a use of cash of \$0.7 million in the prior nine month period. During the nine month 2007 period, cash of \$20.2 million was generated before non-cash working capital changes compared to the 2006 balance provided totaling \$16.9 million. The increase in earnings over the prior year contributed to the growth in cash from operations.

Non-cash working capital utilized \$14.5 million of operating cash flow representing a decrease of \$3.1 million over the \$17.6 million used in the prior year. This is due to lower inventory levels in the third quarter of 2007 as compared to 2006 which was higher than normal, payables were higher in 2007 due to the timing of raw materials inventory receipts. The Fund has made efforts to better manage working capital which has led to an improvement during 2007.

In accordance with the seasonal trends of the business, the Fund built working capital during the summer months to meet the increased business volumes during the installation season. The Fund's revolving credit facility is available to finance these temporary increases in working capital needs.

Investing Activities

The Fund provided cash of \$0.7 million related to investing activities during the third quarter of 2007 as compared to a \$1.3 million use of cash from the third quarter of 2006. The cash provided is mostly related to \$0.5 million of cash received with respect to an indemnification of income tax liabilities incurred prior to the July 2004 acquisition of Armtec Holdings Limited. The funds received were reflected as a reduction of the original consideration paid and reduced goodwill. The prior year's investing activities included \$1.1 million for the purchase and installation of the HDPE production line in Alberta.

Cash used in investing activities totaled \$2.0 million for the nine months ended September 30, 2007 compared to \$9.8 million for the same period in 2006. For 2007, purchases of intangibles and property, plant and equipment included \$1.8 million of manufacturing equipment which is being leased to the new joint venture with Fixon Inc. in South Korea, \$0.2 million related to the continuing implementation of the ERP system and \$0.2 million related to the purchase and installation of the linear corrugator. The new joint venture was formed May 18, 2007 and manufactures Armtec bridge products for sale in the expanding South Korean market place. In 2006, \$7.5 million was used to acquire the net assets of the construction products division of Twister Pipe Ltd. located in Calgary, Alberta. During the

nine months ended September 29, 2006, the purchase and installation of the linear corrugator totaled \$1.1 million, \$0.4 million was incurred for the implementation of the ERP system and \$0.2 million related to the acquisition of the distribution license from BEBO. The joint venture manufacturing equipment and ERP installation were considered generative for the purposes of determining distributable cash.

Financing Activities

Cash used in financing activities in the third quarter of 2007 was \$10.1 million as compared to \$1.4 million used in the third quarter of 2006. During the third quarter of 2007, the Fund repaid \$6.1 million on its credit facility compared with borrowings of \$2.1 million during the same quarter of 2006. Distributions paid in the third quarter amounted to \$4.0 million. During the same period in 2006, unitholders received \$3.5 million. Regular distributions paid in the period were \$0.13 per unit for 2007 and 2006 however, 2007 distributions were paid on 10,304,000 units outstanding in the third quarter compared to 9,015,000 units outstanding for 2006.

During the nine month period ended September 30, 2007, financing activities used \$3.6 million compared to \$10.5 million provided in 2006. The Fund borrowed \$10.2 million on its credit facility as compared to \$22.6 million in 2006. In 2007 approximately \$1.8 million was used to acquire manufacturing equipment used in the new South Korean joint venture. For 2006, in addition to funding the increase in working capital, the Fund drew on its credit facilities to fund the Twister acquisition. Associated with the Twister acquisition was a renegotiation of the credit facilities in place at the time resulting in \$0.2 million of bank financing fees.

During the first nine months of 2007, distributions paid to unitholders amounted to \$13.8 million, of which \$3.1 million was declared and payable in respect of 2006 but paid in January 2007. Regular distributions paid during the nine months ended June 30, 2007 were at \$0.13 per unit and paid on 10,304,000 units outstanding. The first nine months of 2006 saw \$11.9 million paid on 9,015,000 units outstanding. Regular distributions paid in the period were \$0.11 per unit for January 2006, \$0.12 per unit for February through April 2006, and \$0.13 per unit for May through September 2006. Additional trust units were issued in October 2006.

DISTRIBUTABLE CASH AND DISTRIBUTIONS

Definition and Disclosure of Distributable Cash

Distributable cash is not a defined term under Canadian GAAP but is determined by the Fund as cash flows provided by or used in operating activities less items not affecting cash, expenditures required to sustain the current state of operations, and the change in non-cash working capital.

Management believes that distributable cash is a useful supplemental measure of performance as it provides investors with an indication of the amount of cash available for distribution to unitholders of the Fund by adjusting for the seasonality of the business via changes in non-cash working capital, adjusting for sustaining capital purchases and other items not affecting cash. Investors are cautioned, however, that distributable cash should not be construed as an alternative to using net earnings and comprehensive earnings as a measure of profitability or the statement of cash flows. Furthermore, the Fund's method of calculating distributable cash may not be comparable to other similarly named calculations from other issuers. Distributable cash for the three and nine months ended September 30, 2007 and September 29, 2006 is as follows:

(in thousands of Canadian dollars except per unit data) (unaudited)	Three Months Ended		Nine Months Ended	
	September 30, 2007	September 29, 2006	September 30, 2007	September 29, 2006
Cash provided by (used in) operating activities	\$ 9,344	\$ 2,690	\$ 5,720	\$ (706)
Items not affecting cash:				
Non-cash post-employment benefits expense	(7)	(70)	(28)	(210)
Loss on sale of property, plant and equipment	(357)	157	(378)	157
Items not affecting operating cash flow:				
Sustaining capital purchases	(208)	(318)	(576)	(730)
Net increase in non-cash working capital	3,450	8,315	14,524	17,585
Distributable cash	\$ 12,222	\$ 10,774	\$ 19,262	\$ 16,096
Distributable cash per unit	\$ 1.19	\$ 1.20	\$ 1.87	\$ 1.79
Distributions declared	\$ 4,019	\$ 3,516	\$ 12,056	\$ 10,097
Distributions declared per unit	\$ 0.39	\$ 0.39	\$ 1.17	\$ 1.12
Net earnings for the period	\$ 11,026	\$ 9,751	\$ 15,664	\$ 12,843
Basic and diluted earnings per unit	\$ 1.07	\$ 1.08	\$ 1.52	\$ 1.42
Weighted average number of units outstanding	10,304,000	9,015,000	10,304,000	9,015,000

Distributions declared for the three and nine months ended September 30, 2007 and September 29, 2006 are less than both distributable cash and net earnings. Distributions declared are more than cash provided by operating activities during the three and nine months ended September 29, 2006 due the timing of working capital and seasonality. The Fund does not believe that any portion of these distributions declared are regarded as an economic return of capital as Armtec's business is seasonal and historically the annual cash provided by operating activities is in excess of annual distributions. The Fund expects that cumulative cash provided by operating activities for the foreseeable future to exceed cumulative future distributions. The Fund expects that cumulative distributions for the foreseeable future to exceed net earnings as result of the nature of the temporary differences between net income and taxable income present in the Fund's subsidiaries.

Working Capital Policies and Effects on Distributable Cash

Armtec's business is seasonal, with sales and working capital ramping up as spring arrives and generally reaches peak levels during the summer months. This build up of working capital during the first half of the year is comprised of receivables and inventory and is slightly offset by increased payables. This ensures that the Fund can meet the increased business volumes during the summer months. As such, cash provided by operating activities and distributable cash generally remains negative until receivables are collected, inventory is reduced and payables are settled later in the year. This results in the Fund historically generating positive working capital nearing the end of the fiscal year. In order to maintain consistent distributions and sufficient working capital, the Fund historically draws upon its revolving credit facility during the first half of the year.

Relationship between Distributions, Investing and Financing Activities

The changes in working capital affecting cash provided by or used in operating activities when supplemented by net borrowings under the credit facility provide cash for the Fund's regular distributions to unitholders. Other changes affecting the Armtec's ability to fund the regular distributions are investments in capital assets including property, plant and equipment and intangible assets as well as business acquisitions. When Armtec makes an acquisition, funds are drawn from existing credit facilities, an issuance of additional units or a combination of both. The Fund's unfunded post-employment obligation was \$6.6 million and \$6.7 million at September 30, 2007 and September 29, 2006. These obligations are expected to be settled as incurred. See sections entitled "Capital Resources" and "Off-Balance Sheet Arrangements" of this interim MD&A, as well as the Fund's annual MD&A for a five year schedule of "Contractual Obligations", for more information about items that may affect distributable cash in the future.

Definition, History, and Management Strategy of Productive Capacity

Armtec's business is seasonal and, due to the nature of the products, is often impacted by the distance from manufacturing location to installation site. Along with seasonality, the proximity to the customer is important and therefore Armtec does not operate at full capacity at each location all year. As a result, management does not measure total productive capacity.

The Fund continues to make investments in regional productive capacity by investing in sustaining capital expenditures that are defined as those investments in property, plant and equipment and intangible assets that allow the current capacity of the Fund to be maintained. Management estimates that approximately \$1.5 million will be spent on an annual basis for sustaining capital expenditures in order to maintain Armtec's regional manufacturing ability. Management expands productive capacity by making generative capital purchases defined as those investments in property, plant and equipment and intangible assets that add to manufacturing capacity or further diversify Armtec's product offerings.

The following table reconciles the purchases of sustaining and generative capital expenditures to the purchases of property, plant and equipment, as well as intangible assets:

(in thousands of Canadian dollars) (unaudited)	Three Months Ended		Nine Months Ended	
	September 30, 2007	September 29, 2006	September 30, 2007	September 29, 2006
Sustaining capital purchases	\$ 208	\$ 318	\$ 576	\$ 730
Generative capital purchases	24	1,159	2,193	1,730
Total purchases	\$ 232	\$ 1,477	\$ 2,769	\$ 2,460
Purchase of property, plant and equipment	\$ 209	\$ 1,399	\$ 2,571	\$ 1,853
Purchase of intangible assets	23	78	198	607
Total purchases	\$ 232	\$ 1,477	\$ 2,769	\$ 2,460

Sustaining capital expenditures excludes assets that are considered generative. Generative expenditures for the nine months ended September 30, 2007 were: \$1.8 million related to manufacturing equipment to be used in the South Korean joint venture, \$0.2 million related to the continuing implementation of the ERP system and \$0.2 million related to the purchase and installation of the HDPE production line in Lethbridge, Alberta. For the nine months

ended September 29, 2006, the generative related expenditures included \$1.1 million for the purchase and installation of the linear corrugator, \$0.4 million related to the new ERP system and \$0.2 million for the acquisition of the BEBO distribution license.

Management's strategy in respect of productive capacity, beyond continued investments in maintaining capacity, is to continually seek ways to improve operational efficiencies, while balancing capacity in the Fund's various operations. Currently, the Fund is in the process of implementing an ERP system throughout Armtec's operations. The new system is expected to enhance efficiency and effectiveness of various operational and administrative functions. Other initiatives impacting productive capacity are the continuous improvements obtained from lean manufacturing activities.

See section entitled "Risks and Uncertainties" of the Fund's annual MD&A for further information about various risks potentially impacting productive capacity.

Financing Strategy and Compliance with Financial Covenants

The Fund has credit facilities which provide for cash requirements in response to changes in working capital needs. Armtec anticipates continually renewing current debt facilities as required. See section entitled "Capital Resources" for further discussion.

The Fund regularly monitors current and forecasted debt levels to ensure debt covenants are not violated. Generally, the most significant financing restrictions relate to permitted investments and distributions, as well as the incurrence and maintenance of certain financial ratios. These financial ratios are primarily linked to trailing operating earnings before interest, taxes, depreciation and amortization adjusted for certain inclusions and exclusions. The Fund must maintain a ratio below a certain threshold of debt over adjusted earnings as referred above. The Fund must also maintain a ratio above a certain threshold of adjusted earnings as referred above over interest paid. The Fund exceeds all financial covenants as at September 30, 2007.

Distributions

The Fund makes regular monthly distributions to unitholders of record as of the last business day of each month. Distributions to unitholders were calculated and recorded when declared.

Regular distributions of \$4.0 million and \$12.1 million were declared for the three and nine month periods ended September 30, 2007 as compared to \$3.5 million and \$10.1 million for 2006. Distributions are financed through cash from operations and seasonal borrowings under the revolving credit facility.

Distributions for the nine months ended September 30, 2007 were as follows:
(in Canadian dollars except per unit amount)

Period	Record date	Payment date	Per unit	Amount
January 2007	January 31, 2007	February 15, 2007	\$ 0.13	\$ 1,339,520
February 2007	February 28, 2007	March 15, 2007	0.13	1,339,520
March 2007	March 30, 2007	April 13, 2007	0.13	1,339,520
April 2007	April 30, 2007	May 15, 2007	0.13	1,339,520
May 2007	May 31, 2007	June 15, 2007	0.13	1,339,520
June 2007	June 29, 2007	July 13, 2007	0.13	1,339,520
July 2007	July 31, 2007	August 15, 2007	0.13	1,339,520
August 2007	August 31, 2007	September 14, 2007	0.13	1,339,520
September 2007	September 28, 2007	October 15, 2007	0.13	1,339,520
			\$ 1.17	\$ 12,055,680

Outlook

Subsequent to the third quarter Armtec acquired Con-Force, a leading manufacturer and installer of precast and pre-stressed concrete components for a variety of applications, including bridges, parkades, stadiums, office and residential buildings. The diversity of products sold by Armtec has been further expanded with this transformational acquisition. Con-Force's largest market is the growing infrastructure market in Western Canada and they have also developed a strong reputation in the northwestern United States. The acquisition is a major step forward for Armtec allowing the Company to reduce the effects of seasonality as many of Con-Force's products can be installed throughout the year. Con-Force has experienced significant growth over the last two years and has made significant capital investments to be able to accommodate the increased volumes and improve productivity as a result of the rapid economic growth in Western Canada. The Fund will continue to integrate Con-Force over the next few quarters.

The outlook for Armtec's core drainage and engineered solution business remains strong as the outlook for infrastructure spending is positive with the current projects and the multi-year commitments announced in the 2007 provincial budgets. The continuing infrastructure spending in Western Canada and consistent activity across the rest of the country from the various levels of government will continue to support demand for Armtec's products.

Agricultural markets have improved with crop prices rising due in part to the increased demand for commodities such as ethanol. The strength in this market is expected to continue into the fall season. Mixed results continue to be expected in the natural resource markets. Investment activity in energy and mining projects are expected to continue, with essentially consistent results expected year over year. Forestry markets remain challenged due to the low forestry and pulp and paper prices, mill closures as well as government mandated cutting restrictions.

The 2006 acquisitions in Alberta and Saskatchewan and the 2007 capacity expansion in Alberta have further increased the Fund's ability to service demand in the active Western Canadian marketplace. Armtec's product offering has also been expanded to include BEBO bridge products and CONTECH Stormwater Solutions. These new offerings have started to contribute to the Fund's sales into the infrastructure market in 2007.

International projects to date have not supported the level of activity the Fund experienced in 2006. The Fund's international sales are generally part of large infrastructure projects and are subject to variability with customer delivery requirements. Armtec has continued to quote on many large projects in markets around the world and continues to see good applications and acceptance of its products. During the second quarter of 2007, the Fund finalized a joint venture in South Korea. While it is still in the early stages of the operation, the joint venture is expected to support Armtec's growth strategy by broadening the Fund's geographic presence. The market in South Korea is significant and is expected to expand due to the continuing development of the country's road system.

The majority of the Fund's revenues and purchases are in Canadian dollars. While some products sold internationally are in US dollars, management does not expect the strengthening Canadian dollar to have a significant impact on the results of the Fund as the US transactions are naturally hedged.

The Fund's 2007 performance is expected to result in a special distribution for 2007 such that the Fund should not pay income tax on its 2007 earnings. The growth activities carried out in 2007 have given rise to increased deductions for income taxes, which will provide greater flexibility in the determination of the appropriate distribution policy.

Capital Resources

As at September 30, 2007, Armtec had credit facilities that provided for a \$35.0 million term facility and a \$25.0 million revolving credit facility, both at variable interest rates. As at September 30, 2007, \$17.0 million had been advanced and was outstanding on the term facility while \$9.2 million was outstanding on the revolving credit facility.

Concurrent with the closing of the acquisition of Con-Force on October 1, 2007, the Fund completed amendments to its existing term and revolving credit facilities. The principal amendments to the credit facilities include term financing to Armtec Operating Trust increasing to \$65.0 million from \$35.0 million and revolving facilities to Armtec Limited Partnership increasing to \$40.0 million from \$25.0 million. The credit facilities mature in October 2012. After the proceeds are applied to the purchase of Con-Force from the issuance of units and securities exchangeable into units of the Fund the remainder of the purchase price and transaction costs were be drawn from the credit facilities and existing cash balances.

Due to the seasonality of the business, the revolving credit facility is available to support temporary cash requirements for working capital and distributions. There are no mandatory principal repayments on the term or revolving facilities prior to maturity. Armtec is in compliance with all credit facility covenants.

Although anticipated cash distributions to unitholders are not commitments at September 30, 2007, the Fund is required to distribute an amount equal to or above its taxable income in order to eliminate the Fund's income tax liability.

Off-Balance Sheet Arrangements

The Fund's off-balance sheet arrangements consist of operating leases and licenses. Operating leases are for facilities and vehicles with market terms and do not have associated escalating rent or make-good provisions that materially impact the financial statements. The Fund's licenses require royalty payments at certain predetermined

levels based on the profitability of certain products. Royalty obligations are accrued when the associated profit is recognized.

Outstanding Unit Data

An unlimited number of units may be issued pursuant to the Fund's Declaration of Trust. Each unit is transferable and represents an equal undivided beneficial interest in any distributions from the Fund and in the net assets of the Fund in the event of termination or winding-up of the Fund. Each unit entitles the unitholder thereof to one vote at all meetings of unitholders. Concurrent with the acquisition of Con-Force on October 1, 2007, 3,705,000 units were issued in a secondary offering. As at October 31, 2007, there are 14,009,000 partnership units issued and outstanding. Also concurrent with the acquisition on October 1, 2007, the Fund issued 1,067,073 exchangeable partnership units of the Fund. As at October 31, 2007, there are 1,067,073 exchangeable partnership units issued and outstanding. As at October 31, 2007, the number of units issued and outstanding using the "if converted" method is 15,076,073.

Summary of Quarterly Results

(in thousands of Canadian dollars except for unit data)
(unaudited)

Three months ended	Sep 30, 2007	Jun 30, 2007	Mar 31, 2007	Dec 31, 2006	Sep 29, 2006	Jun 30, 2006	Mar 31, 2006	Dec 31, 2005
Revenue	\$ 63,847	\$ 49,763	\$ 21,848	\$ 35,825	\$ 60,079	\$ 49,822	\$ 20,440	\$ 35,765
Net earnings (loss)	\$ 11,026	\$ 6,950	\$ (2,312)	\$ 2,938	\$ 9,751	\$ 6,711	\$ (3,619)	\$ 1,570
Basic and diluted earnings (loss) per unit	\$ 1.07	\$ 0.67	\$ (0.22)	\$ 0.30	\$ 1.08	\$ 0.74	\$ (0.40)	\$ 0.17

Armtec's business is seasonal, with sales ramping up as spring arrives and generally reaching peak levels in the summer months. As such, losses in the first quarter are expected with the Company historically generating positive net earnings throughout the remainder of the year. A revolving credit facility is available to allow regular distributions and working capital investments during slower quarters.

Non-GAAP Measures

Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA")

References to EBITDA are to earnings before interest, taxes (other than capital taxes), depreciation and amortization. Management believes that in addition to net earnings, EBITDA is a useful supplemental measure of cash available for distribution prior to debt service, changes in working capital, capital expenditures and income taxes. However, EBITDA is not a recognized measure under Canadian GAAP. Investors are cautioned that EBITDA should not be construed as an alternative to net and comprehensive earnings determined in accordance with GAAP as an indicator of the Fund's performance or as an alternative to cash flows from operating, investing and financing activities as a measure of the Fund's liquidity and cash flows. The Fund's method of calculating EBITDA may differ from the methods used by other issuers and, accordingly, the Fund's EBITDA may not be comparable to similarly named measures used by other issuers.

(in thousands of Canadian dollars)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2007	September 29, 2006	September 30, 2007	September 29, 2006
Earnings for the period	\$ 11,026	\$ 9,751	\$ 15,664	\$ 12,843
Recovery of future income taxes	(210)	(156)	(640)	(474)
Amortization of property, plant and equipment	911	853	2,704	2,584
Amortization of intangible assets	656	603	1,969	1,745
Interest and financing expenses	550	853	1,409	2,035
EBITDA	\$ 12,933	\$ 11,904	\$ 21,106	\$ 18,733

See the section entitled "Cash Flow and Liquidity" of this interim MD&A for the definition and disclosure of distributable cash which is not a recognized measure under Canadian GAAP.

Critical Accounting Estimates

The Fund's discussion and analysis of its financial condition and results of operations, including the discussion on liquidity and capital resources, is based upon the Fund's interim consolidated financial statements, which have been prepared in accordance with Canadian GAAP except where noted. The preparation of these interim consolidated financial statements requires Armtec to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, management evaluates its estimates and judgments, particularly those related to the determination of the estimated recoverable amount of accounts receivable, inventory, goodwill and intangible assets, and post-employment benefit liabilities. Armtec bases its estimates on historical experience and on various other assumptions, which are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. For a detailed discussion of the more significant judgments and estimates used in the preparation of the Fund's interim consolidated financial statements, refer to the Fund's annual MD&A. There are no material updates to these estimates based on events from January 1, 2007 to October 31, 2007.

Accounting Policy Changes Including Initial Adoptions

The Fund has adopted the Canadian Institute of Chartered Accountants Handbook standards contained in Section 1530 entitled "Comprehensive Income", Section 3855 entitled "Financial Instruments – Recognition and Measurement" and Section 3865 entitled "Hedges" on January 1, 2007. During the second quarter of 2007, it was determined that the foreign operations were self-sustaining and the foreign currency translation was accounted for accordingly.

a) Financial assets and liabilities and hedging relationships

Under the new standard, all financial instruments were classified into the following categories: held for trading, held to maturity investments, loans and receivables, available for sale financial assets or other financial liabilities. All financial instruments within the scope of the standard are included in the consolidated financial statements and are initially measured at fair value. Subsequently, all financial instruments are re-measured to fair value at each reporting period except for loans and receivables, held to maturity investments and other financial liabilities which are measured at amortized cost. Held for trading financial investments are subsequently measured at fair value and all gains and losses as a result of re-measurement are included in net income in the period in which they arise. Available for sale financial instruments are subsequently measured at fair value with revaluation gains and losses included in other comprehensive income until the instrument is derecognized or impaired.

As a result of the adoption of this standard, the Fund has classified its cash and cash equivalents as held for trading. Accounts receivable and long-term notes receivable have been classified as loans and receivables. Accounts payable and long-term debt have been classified as other financial liabilities.

The Fund continues to apply mark-to-market accounting for interest rate swaps as it does not apply hedge accounting to this instrument. As at September 30, 2007 no swap was outstanding (September 29, 2006 - \$11.5 million). While outstanding in the quarter, the contract was revalued to market value resulting in an unrealized loss of \$16 and \$44 for the three and nine month periods ended September 30, 2007 (September 29, 2006 - unrealized loss of \$35 and unrealized gain of \$20) respectively. The fair value of the interest rate swap is included with current assets.

Management has assessed the impact of adopting these standards and has determined that there were no significant changes to the presentation and measurement of financial instruments in the consolidated financial statements except for the reclassification of deferred financing fees from intangible assets to long-term debt.

b) Comprehensive income

Comprehensive income introduces a new requirement to present, among other things, certain unrealized gains and losses outside of net income. Section 1530 defines comprehensive income as a change in net assets arising from transactions and other events and circumstances from non-owner sources. The new standard requires the presentation of a statement of comprehensive income. Management has assessed the impact of adopting this standard and has determined that there is no significant change.

c) Foreign currency translation

For foreign operations that are considered self-sustaining, the current rate method of translating foreign currencies has been used. Under this method, assets and liabilities are translated into Canadian dollars at period-end exchange rates and revenues and expenses are translated at average rates during the period. The resulting unrealized exchange gains and losses arising from the translation of the financial statements of these foreign operations are deferred and recorded as a component of accumulated other comprehensive income within unitholders' equity.

Effective January 1, 2008, the Fund will be required to adopt further standards changes from the CICA. The Fund does not expect Section 1535 "Capital Disclosures", Section 3862 "Financial Instruments – disclosures", Section 3863 "Financial Instruments – presentation", and Section 3031 "Inventories" to have a material effect on the financial performance of the Fund, however, management will continue to evaluate the impact of these changes.

Proposed Transactions

There are currently no proposed transactions as at October 31, 2007.

Risks and Uncertainties

The Fund is subject to certain risks and uncertainties that could have a material adverse effect on Armtec'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; reductions in demand for Armtec's products; collections from customers; 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; collective bargaining agreement; interest rates; uninsured and underinsured losses; environmental, health and safety requirements; operating hazards; risk of future legal proceedings; securities laws compliance and corporate governance standards; tax law risk; dependence of the Fund on Armtec Limited Partnership; and certain risks associated with the structure of the Fund including income tax matters; leverage and restrictive covenants; credit facility; nature of units; effect of market interest rates on the price of units; restrictions on potential growth. 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. There have been no material changes to Armtec's business from January 1, 2007 to October 31, 2007 that require an update to the discussion of the applicable risks.

Forward-Looking Statements

This MD&A may contain "forward-looking" statements 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, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements contain such words as "may", "will", "expect", "believe", "plan", and other similar terminology. These statements reflect current expectations regarding future events and operating performance and speak only as of October 31, 2007.

Forward-looking statements involve significant 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. A number of factors 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". Although the forward-looking statements contained in this report are based upon what management of Armtec believes are reasonable assumptions, the Fund cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this MD&A and the Fund assumes no obligation to update or revise them to reflect new events or circumstances.