

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

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

Fundamental Applications Corp. (the "**Company**")  
242 - 515 West Pender Street, Vancouver, British Columbia V6B 6H5

**Item 2 *Date of Material Change***

January 20, 2015

**Item 3 *News Release***

A news release was issued and disseminated on January 20, 2015 and filed with SEDAR and the Canadian Securities Exchange on January 21, 2015.

**Item 4 *Summary of Material Change(s)***

The Company is pleased to announce the signing of a non-binding Letter of Intent (the "**LOI**") with Foro Technologies Inc. ("**Foro**"). Foro is the owner of the intellectual property and rights for two organically built applications, with the primary one being "Truth", an anonymity app that was a leader when the space first emerged in late 2013.

The LOI, which outlines the general terms and conditions on which the Company will acquire 100% of the issued shares in the capital of Foro, was negotiated at arm's length and is effective as of January 18, 2015, and is expected to be superseded by a definitive agreement to be signed by the parties.

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

**5.1 *Full Description of Material Change***

See news release attached as Schedule "A".

**5.2 *Disclosure for Restructuring Transactions***

Not applicable.

**Item 6 *Reliance on subsection 7.1(2) of National Instrument 51-102***

Not applicable.

**Item 7 *Omitted Information***

No information has been omitted on the basis that it is confidential information.

**Item 8 *Executive Officer***

Justin Rasekh, President, CEO and Director  
778.998.4235 or Justin@funappcorp.com

**Item 9 *Date of Report***

January 21, 2015

## SCHEDULE "A"



242 – 515 West Pender Street  
Vancouver, BC V6B 6H5

### FUNDAMENTAL SIGNS LETTER OF INTENT TO ACQUIRE FORO TECHNOLOGIES

Vancouver, B.C. – (January 20, 2015) **Fundamental Applications Corp.** ("Fundamental") (CSE: FUN) is pleased to announce the signing of a non-binding Letter of Intent (the "LOI") with Foro Technologies Inc. ("**Foro**"). Foro is the owner of the intellectual property and rights for two organically built applications, with the primary one being "Truth", an anonymity app that was a leader when the space first emerged in late 2013.

Truth was quickly recognized by the media and regarded as a market leader for its spontaneity, clean development and rapid growth. Truth was voted into Top 100 Social Messaging Apps in the iTunes Store for 2014, keeping company with Snapchat and What's App. With in excess of 130,000 users and many more downloads, our management will look to take the best of its applications, Serum™ and now Truth, to create Truth version 2.0.

Unlike the Twitter-esque broadcasting model of recent anonymous apps, Truth is about messaging with people who you actually know and care about: the people who are in your address book. The result is a powerful one-on-one communication platform, which is far more engaging and meaningful than anything we have seen out there.

"This acquisition will take Fundamental to the next level overnight. Not only are we picking up world class intellectual property, but inheriting some top talent within the sector. As Fundamental moves into the acquisition phase of its business plan, we could not be happier to have a brand as well known as Truth in our portfolio. Rounding out the senior management, we are very happy to have Mr. Saheli on our board of advisors to help in the growth of Truth and any other app we have or will be acquiring," said Justin Rasekh, CEO of Fundamental Applications.

The second application that's been developed by Foro is called "Foro". University and college students often have items that they no longer need, but which other students can use. These items include bikes, furniture, textbooks, and electronics, for example. Foro is an iPhone app that allows students to list out items they no longer need into the app in less than 10 seconds and then to connect with other students at the same school who have the app. Foro provides a great buying and selling experience where students know who they're dealing with, which school they attend, and how many mutual Facebook friends they have.

The LOI, which outlines the general terms, and conditions on which Fundamental will acquire 100% of the issued shares in the capital of Foro, was negotiated at arm's length and is effective as of January 18, 2015, and is expected to be superseded by a definitive agreement to be signed by the parties.

#### About Fundamental

Fundamental Applications Corp. was founded in 2014 to launch innovative mobile applications targeted at millennials. Millennials are described as a demographic born between 1980 and

2000 into a digital world with significant discretionary income. Fundamental launched their first application, Serum™, in December, 2014. Serum™ is an innovative and unique mobile chat application which enables users to post questions and have text conversations with a group of their friends anonymously; nobody involved in the conversation is aware of who in the group is responding. Serum™ also provides control to the users over conversations they initiate, such as adding or removing participants. Serum™ goes beyond existing applications such as Whisper and Secret, which only allow for one-way conversations, by creating an interactive way of sharing. Serum™ also goes above and beyond in terms of implementing protocols for anti-bullying. Fundamental intends to launch additional apps targeting privacy, anonymity and chat once it has built a large Serum™ user base.

Further information about the Fundamental is available under its profile on the SEDAR website [www.sedar.com](http://www.sedar.com) and on the CSE website [www.thecse.com](http://www.thecse.com).

**For further information on Fundamental, please contact:**

Justin Rasekh  
President & Chief Executive Officer  
Telephone 778.998.4235  
Email: [justin@funappcorp.com](mailto:justin@funappcorp.com)  
[www.FunAppCorp.com](http://www.FunAppCorp.com)

**Forward-Looking Information:**

This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of Fundamental. Forward-looking information is based on certain key expectations and assumptions made by the management of Fundamental. Although Fundamental believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Fundamental can give no assurance that they will prove to be correct. Forward-looking statements contained in this press release are made as of the date of this press release. Fundamental disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.