

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*

February 2, 2015

Item 3 *News Release*

A news release was issued and disseminated on February 3, 2015 through Stockwatch and Market News and filed with SEDAR.

Item 4 *Summary of Material Change(s)*

Further to an initial news release dated October 6, 2014, the Company issued a news release on November 10, 2014 announcing an alteration of terms of the Private Placement to include up to 2,500,000 units at \$0.30 per unit for gross proceeds of up to \$750,000, with each unit comprised of 1 common share and 1 warrant exercisable to purchase 1 common share at a price of \$0.75 per share for 12 months. Fundamental announced the closing of an initial tranche of the Private Placement on October 30, 2014 and announced the closing of a second tranche on December 17, 2014. Fundamental is pleased to announce the closing of the third tranche of the Private Placement for 150,000 units for aggregate gross proceeds of \$45,000. We are continuing to raise funds for the balance of the Private Placement. The shares issued pursuant to the Private Placement are subject to a hold period of 4 months and 1 day.

A finder's fee was paid equal to 7% cash and warrants to purchase common shares at a price of \$0.30 per share for a period of 12 months equal to 7% of the number of units issued under the third tranche closing of the Private Placement.

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*

February 5, 2015

SCHEDULE “A”



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

FUNDAMENTAL ANNOUNCES CLOSE OF THIRD TRANCHE OF PRIVATE PLACEMENT

Vancouver, B.C. – (February 3, 2015) **Fundamental Applications Corp.** (“**Fundamental**”) (CSE: FUN) announces the close of the third tranche of a previously announced non-brokered private placement (the “**Private Placement**”).

Further to an initial news release dated October 6, 2014, the Company issued a news release on November 10, 2014 announcing an alteration of terms of the Private Placement to include up to 2,500,000 units at \$0.30 per unit for gross proceeds of up to \$750,000, with each unit comprised of 1 common share and 1 warrant exercisable to purchase 1 common share at a price of \$0.75 per share for 12 months. Fundamental announced the closing of an initial tranche of the Private Placement on October 30, 2014 and announced the closing of a second tranche on December 17, 2014. Fundamental is pleased to announce the closing of the third tranche of the Private Placement for 150,000 units for aggregate gross proceeds of \$45,000. We are continuing to raise funds for the balance of the Private Placement. The shares issued pursuant to the Private Placement are subject to a hold period of 4 months and 1 day.

A finder’s fee was paid equal to 7% cash and warrants to purchase common shares at a price of \$0.30 per share for a period of 12 months equal to 7% of the number of units issued under the third tranche closing of the Private Placement.

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™, earlier this month. 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 develop additional apps targeting privacy, anonymity and chat once it has built a large Serum™ user base.

Further information about Fundamental is available under its profile on the SEDAR website www.sedar.com and on the CSE website www.thecse.com.

For further information on Fundamental, please contact:

Justin Rasekh
President & Chief Executive Officer
Telephone 778.998.4235
Email: justin@funappcorp.com
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.