

Form 51-102F3
Material Change Report

MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF NATIONAL INSTRUMENT 51-102

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS “CONFIDENTIAL”.

Item 1. Name and Address of Company

Fundamental Applications Corp. (the “Company”)
242 – 515 West Pender Street,
Vancouver, B.C.
V6B 6H5

Item 2. Date of Material Change

July 31, 2015

Item 3. News Release

The news release was disseminated through CSE, BC Securities Commission, Alberta Securities Commission, Ontario Securities Commission, Stockwatch and Market News.

Item 4. Summary of Material Change

Fundamental Applications Corp. (“**Fundamental**”) (CSE:FUN), a leading developer of innovative, millennial-targeted smartphone applications is pleased to announce that it has closed the non-brokered private placement initially announced on June 24, 2015.

Item 5. Full Description of Material Change

Fundamental Applications Corp. (“**Fundamental**”) (CSE:FUN), a leading developer of innovative, millennial-targeted smartphone applications is pleased to announce that it has closed the non-brokered private placement initially announced on June 24, 2015.

The Company raised \$349,900 by issuing to 1,749,500 units at a price of \$0.20/unit. Each unit consists of one (1) common share and one (1) whole warrant. Each warrant is exercisable at a price of \$0.30 until December 15, 2015. Upon exercise of a warrant, the shareholder will receive one common share and an additional half (1/2) warrant. Each whole warrant will be exercisable to receive one (1) common share at a price of \$0.45 until December 15, 2016. Finder’s fees of \$3,885 cash and 19,425 warrants were paid to Canaccord Genuity Corp. and \$6,230 cash and 31,150 warrants were paid to Richardson

GMP Limited. Each of the warrants issued to the finders will be exercisable at a price of \$0.30 until December 15, 2015.

Richard Whitehead, CEO and director, purchased 45,000 units under the terms of this placement. In addition, Arni Johannson, insider, purchased an additional 852,000 units.

Fundamental would also like to announce that it has settled debt in an aggregate amount of \$200,000 in exchange for the issuance of 1,000,000 units to an arm's length vendor. The debt settlement will be based on a deemed price of \$0.20 per unit. Each unit is comprised of one (1) common share and one (1) share purchase warrant where each share purchase warrant is exercisable for one common share at a price of \$0.30 per share until December 15, 2015.

All securities issued in connection with the offering and the debt settlement are subject to a statutory hold period of four months plus one day from the date of issuance.

Proceeds from the offering will be used for general working capital and corporate purposes.

About Fundamental

Fundamental Applications Corp. (CSE:FUN) designs, develops, markets, and acquires innovative mobile applications targeted at the "Millennials" generation; people born in an age of digital technology, internet access, and smart phones. This demographic is an early adopter of mobile technology, has significant discretionary income, and is lifestyle driven with a willingness to try new things. Fundamental's three leading mobile platforms are Foro: a peer-to-peer mobile ecommerce marketplace, Truth: a one-to-one anonymous messaging app previously listed in the top 100 social networking apps in the Apple App Store, and Serum™: an app that enables users to post questions to their friends and receive answers anonymously.

Item 6. Reliance on Section 7.1(2) or (3) of National Instrument 51-102

Nothing in this form is required to be maintained on a confidential basis.

Item 7. Omitted Information

Not applicable.

Item 8. Senior Officers

Richard Whitehead, CEO
Phone: (604) 563-4225

Item 9. Date of Report

Dated at Vancouver this 31st day of July, 2015.

By: Fundamental Applications Corp.

“Richard Whitehead”

Richard Whitehead, CEO