

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Fundamental Applications Corp. (the “Company”)
Suite 242, 515 West Pender Street
Vancouver, BC
Canada V6B 6H5

Item 2 Date of Material Change

December 23, 2015

Item 3 News Release

The news release attached hereto as Schedule “A” announcing the material change described herein was disseminated through the news dissemination services of Stockwatch and Baystreet on December 23, 2015.

Item 4 Summary of Material Change

The Company announced it had closed the first tranche of a non-brokered private placement (the “First Tranche”), issuing a total of 957,272 Units at a price of \$0.22 per Unit to raise gross proceeds of \$210,600.

The First Tranche is part of a private placement offering of up to 4,500,000 Units. Each Unit consists of one (1) common share and one-half (1/2) common share purchase warrant, whereby each full warrant entitles the holder to purchase one additional common share of the Company for a period of two (2) years from closing at an exercise price of \$0.30 per share.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the press release attached as Schedule “A” for a full description of the material change.

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

Not applicable.

Item 8**Executive Officer**

Richard Whitehead
Chief Executive Officer and Director
Telephone: (604) 563-4225

Item 9**Date of Report**

December 31, 2015

SCHEDULE "A"



515 W. Pender Street, Suite 242, Vancouver, BC, V6B 6H5
www.FunAppCorp.com

FUNDAMENTAL APPLICATIONS CORP. CLOSES FIRST TRANCHE OF NON-BROKERED PRIVATE PLACEMENT

Vancouver, British Columbia, Canada, December 23, 2015 - **Fundamental Applications Corp.** ("**Fundamental**" or the "**Company**") (CSE:FUN, FSE:2FA, OTCQB: FUAPF), a leading developer of innovative, millennial-targeted smartphone applications today announced that it has closed the first tranche of a non-brokered private placement ("First Tranche"), issuing a total of 957,272 Units at a price of \$0.22 per Unit to raise gross proceeds of \$210,600.

The First Tranche is part of a private placement offering of up to 4,500,000 Units (the "Private Placement"). Each Unit consists of one (1) common share and one-half (1/2) common share purchase warrant, whereby each full warrant entitles the holder to purchase one additional common share of the Company for a period of two (2) years from closing at an exercise price of \$0.30 per share. The securities distributed under the First Tranche and the Private Placement, in general, are and will be subject to a statutory hold period of four months plus one day from the date of issuance. The proceeds from the Private Placement will be used for general working capital and corporate purposes.

In connection with the closing of the First Tranche, the Company has paid finders' fees in the amount of \$99 to PI Financial Corp.

About Fundamental

Fundamental Applications Corp. (CSE:FUN FSE:2FA, OTCQB: FUAPF) 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.

For more information about Fundamental Applications Corp, visit www.FunAppCorp.com, or review the company profile on the SEDAR website www.sedar.com and on the CSE website www.thecse.com. To schedule an interview, please contact:

Richard Whitehead

CEO, Co-Founder

Telephone: 604.563.4225

Email: info@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.