

**Form 45-106F6**  
***British Columbia Report of Exempt Distribution***

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

**Issuer/underwriter information**

**Item 1: Issuer/underwriter name and contact information**

**Fundamental Applications Corp. (the "Issuer")**

**Suite 242, 515 West Pender Street**

**Vancouver, BC Canada V6B 6H5**

**Telephone: (514) 561-9091**

**Website: [www.funappcorp.com](http://www.funappcorp.com)**

**Email: [bmoore@theforo.com](mailto:bmoore@theforo.com)**

B. If an underwriter is completing this report, state the following:

- the full name of the underwriter;
- the underwriter's website address; and
- the address, telephone number and email address of the underwriter's head office.

**Not applicable.**

**Item 2: Reporting issuer status**

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

**The Issuer is a reporting issuer in British Columbia, Alberta and Ontario.**

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

**Not applicable.**

**Item 3: Issuer's industry**

Indicate the industry of the issuer by checking the appropriate box below.

- |   |  |
|---|--|
| <input type="checkbox"/> Bio-tech                       | Mining   |
| Financial Services                                      | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production              |
| <input type="checkbox"/> mortgage investment companies  | <input type="checkbox"/> Oil and gas             |
| <input type="checkbox"/> securitized products issuers   | <input type="checkbox"/> Real estate             |
| <input type="checkbox"/> Forestry                       | <input type="checkbox"/> Utilities               |
| <input checked="" type="checkbox"/> Hi-tech             | <input type="checkbox"/> Other (describe)        |
| <input type="checkbox"/> Industrial                     |  |
-

#### Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
Not Applicable			

#### Details of distribution

##### Item 5: Distribution date

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

**The securities were distributed on April 14, 2016.**

##### Item 6: Number and type of securities

For each security distributed:

- describe the type of security;
- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

**The Issuer distributed 865,226 units (“Units”) at a price of \$0.22 per Unit. Each Unit consisted of one common share and one-half of a common share purchase warrant, whereby each whole warrant entitles the holder to purchase one additional common share of the Issuer at an exercise price of \$0.30 for a period of 24 months from closing. In addition, pursuant to shares for debt transactions that formed part of the private placement, the Issuer distributed an aggregate of 1,055,825 common shares to various creditors in order to settle debt at a deemed price of \$0.22 per common share. The exemptions from the prospectus requirements relied on by the Issuer were (i) Section 2.3 of National Instrument 45-106 as to the Units issued, and (ii) Section 2.14 of National**

**Instrument 45-106 as to the shares for debt issued. Therefore, in total, 1,921,051 common shares and 432,613 common share purchase warrants were distributed on April 14, 2016.**

## **Item 7: Geographical information about purchasers**

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	9	\$0.22	\$280,527.22
Ontario	1	\$0.22	\$ 11,000.00
Quebec	2	\$0.22	\$ 38,104.00
Germany	2	\$0.22	\$ 93,000.00
Total number of Purchasers	14		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$422,631.22

Note 1: If securities are issued at different prices list the highest and lowest price the securities were sold.

## **Item 8: Information about purchasers**

### *Instructions*

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

<b>Information about non-individual purchasers</b>					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Transcend Capital Inc. Suite 303, 750 West Pender Street Vancouver, BC V6C 2T7 Contact: Etienne Moshevich Telephone: (604) 681-0084	not applicable	647,272 common shares and 323,636 common share purchase warrants	\$142,399.84	Section 2.3 of NI 45-106	2016-04-14
Sidebuy Solutions Inc. Suite 940, 1040 West Georgia Street Vancouver, BC V6E 4H1 Contact: Mona Sadat Akhavi Telephone: (604) 336-7433	not applicable	15,371 common shares	\$3,381.50	Section 2.14 of NI 45-106	2016-04-14
Bull Markets Media GmbH Alexanderstrasse 7 10178 Berlin, Germany Contact: Alexander Schornstein Telephone: +49 163 965 99 11	not applicable	272,727 common shares	\$60,000.00	Section 2.14 of NI 45-106	2016-04-14
The Blogger Collective Inc. 35 Rue Caruso Dollard des Ormeaux, PQ H9A 1L8 Contact: David Ceber Telephone: (514) 402-5518	not applicable	86,600 common shares	\$19,052.00	Section 2.14 of NI 45-106	2016-04-14
Jordao Capital Corp. Suite 2305, 1067 Marinaside Crescent Vancouver, BC V6Z 3A4 Contact: Vanessa Fors Telephone: (604) 377-3490	not applicable	50,000 common shares	\$11,000.00	Section 2.14 of NI 45-106	2016-04-14

## **Commissions and finder's fees**

### **Item 9: Commissions and finder's fees**

#### *Instructions*

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
PI Financial Corp. Suite 1900, 666 Burrard Street Vancouver, BC V6C 3N1	R	\$800.80	3,640 common share purchase warrants <sup>1</sup>	\$0.30	Section 2.3 of NI 45-106  2016-04-14	\$800.80

<sup>1</sup> Each common share purchase warrant is exercisable into one common share of the Issuer at a price of \$0.30 for a period of 24 months from closing.

## Certificate

On behalf of the Issuer, I certify that the statements made in this report are true.

Date: April 23, 2016

Fundamental Applications Corp.  
Name of Issuer

Bradley Moore, CEO and Director, (514) 561-9091  
Print name, title and telephone number of person signing

"Bradley Moore"  
Signature

## Instruction

*The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.*

## Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

## **Notice - Collection and use of personal information**

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

### **British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

Telephone: (604) 899-6500

Toll free across Canada: 1-800-373-6393

Facsimile: (604) 899-6581