

**Form 51-102F3**  
**Material Change Report**

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

Functional Technologies Corp. (the "Company")  
885 West Georgia Street, Suite 1500  
Vancouver, BC, V6C 3E8

**Item 2.        Date of Material Change**

October 2, 2008.

**Item 3.        News Release**

A news release dated October 2, 2008 was disseminated through Marketwire.

**Item 4.        Summary of Material Change**

Garth Greenham has been appointed as the Company's president, Geoff Lee has been appointed as the Company's vice president of corporate development and Sherrill Palmer has been appointed as the Company's chief financial officer.

**Item 5.1      Full Description of Material Change**

Garth Greenham has been appointed as the Company's president, Geoff Lee has been appointed as the Company's vice president of corporate development and Sherrill Palmer has been appointed as the Company's chief financial officer. Mr. Greenham will maintain his current role as the Company's chief operating officer.

**Item 5.2      Disclosure for Restructuring Transactions**

Not applicable.

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

*If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102, state the reasons for such reliance.*

Not applicable.

**Item 7.        Omitted Information**

Not applicable.

**Item 8.        Executive Officer**

Garth Greenham, *president and chief operating officer*  
Telephone:

**Item 9.        Date of Report**

October 2, 2008.