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**

June 8, 2009

Item 3. **News Release**

A news release dated June 8, 2009 was disseminated through Marketwire.

Item 4. **Summary of Material Change**

The terms of the brokered private placement announced in the Company's news release of April 14, 2009 have changed.

Item 5.1 **Full Description of Material Change**

The terms of the brokered private placement announced in the Company's news release of April 14, 2009 have changed. A total of 8,750,000 units (the **"Units"**) will now be offered for sale through Loewen, Ondaatje, McCutcheon Limited (the **"Agent"**) at $0.40 per Unit, for aggregate gross proceeds of up to approximately $3.5 million (the **"Offering"**). The Agent has also been granted an over-allotment option to increase the size of the Offering to a maximum of $5 million and sell, on the Company's behalf, approximately 3,750,000 additional Units.

Each Unit will be comprised of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to purchase one common share of the Company at an exercise price of $0.80 per share for a period of 24 months following the closing of the Offering.

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**

Howard Louie, *chief executive officer*
Telephone: 604 648 2200

Item 9. **Date of Report**

June 8, 2009.