Form 51-102F3
Material Change Report

Item 1. **Name and Address of Company**
Functional Technologies Corp. (the **"Company"**)
5511 West Boulevard, Suite 218
Vancouver, BC, V6M 4H3

Item 2. **Date of Material Change**

April 8, 2010

Item 3. **News Release**

A news release dated April 8, 2010 was disseminated through Marketwire.

Item 4. **Summary of Material Change**

The Company has announced a warrant exercise incentive program (the **"Program"**) designed to encourage the early exercise of 3,333,666 outstanding share purchase warrants (the **"Original Warrants"**) due to expire on November 12, 2010.

Item 5.1 **Full Description of Material Change**

The Company has announced the Program which is designed to encourage the early exercise of the 3,333,666 Original Warrants due to expire on November 12, 2010. The Original Warrants, which allow the holder to purchase one common share for the price of $0.60, were issued in a $0.60 unit private placement that was completed in November 2008. The early exercise of the Original Warrants represents potential gross proceeds of up to approximately $2,000,000.

The Program, which will be open until May 7, 2010 (the **"Expiry Date"**), allows the exercising party of the Original Warrants to purchase, for the same exercise price ($0.60), one common share of the Company and one transferable share purchase warrant (the **"Incentive Warrant"**). Each Incentive Warrant is exercisable at $0.70 and entitles the holder to purchase one common share of the Company for two years from the date of issuance of the Incentive Warrants. All securities issued pursuant to the Program will have a hold period of four months from the relevant closing date of the Program. Any Original Warrants not exercised in accordance with the Program will remain subject to their original term.

Item 5.2 **Disclosure for Restructuring Transactions**

Not applicable.

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

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) 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**

April 8, 2010.