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

November 10, 2011

Item 3. News Release

A news release dated November 10, 2011 was disseminated through Marketwire.

Item 4. Summary of Material Change

The Company has retained the services of San Diego Torrey Hills Capital, Inc. of Del Mar, California, to provide investor relations services, subject to regulatory approval.

San Diego Torrey Hills Capital, Inc. will receive a monthly fee of US$6,000 plus allowable expenses and has also been granted options to purchase 100,000 common shares of the Company.

Item 5.1 Full Description of Material Change

The Company has retained the services of San Diego Torrey Hills Capital, Inc. ("**Torrey Hills Capital**"), of Del Mar, California, to provide investor relations services, subject to regulatory approval. A leading investor and financial public relations firm specializing in small and micro-cap companies, Torrey Hills Capital has been engaged to increase awareness about the Company and its activities through Torrey Hills Capital's established relationships with investment professionals, investment advisors, and money managers focused on the microcap market space. Torrey Hills Capital will also develop a profile on the Company for coverage on www.babybulls.com, a proprietary website developed to showcase and provide exposure for emerging micro-cap companies to an audience of proven micro-cap investors.

Mark Adams, Managing Director at Torrey Hills Capital, will be responsible for activities related to the Company. Mr. Adams possesses more than 15 years of both corporate and capital markets experience, including prior senior roles in investment banking at Bank of Montreal, corporate development at EMC Corporation, and investment analyses at Essex Investment Management, SAC Capital and BAM.

The Company and Torrey Hills Capital have entered into a services agreement with a term of six months. However, the agreement may be terminated by either party at any time with seven days written notice. Under the terms of the services agreement, Torrey Hills Capital will receive a monthly fee of US$6,000 plus allowable expenses, which the Company intends to pay from general working capital. Torrey Hills Capital has also been granted options to purchase 100,000 common shares of the Company (the "**Options**") at a price of C$0.46 per common share for a maximum period of three years from the date of grant. The Options shall be subject to the terms of the Company's stock option plan and will vest in accordance with the policies of the TSX Venture Exchange.

Torrey Hills Capital, which is owned by founder and President Cliff Mastricola, currently has no direct or indirect interest in the securities of the Company, or any right or intent to acquire such an interest, except for the Options. The appointment of Torrey Hills Capital as an investor relations consultant of the Company and the granting of the Options remain subject to regulatory acceptance of applicable filings with the TSX Venture Exchange.

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**

Connie Chen, *Vice-President, Corporate Development and Communications*
Telephone: 647 282 5038

Item 9. **Date of Report**

November 10, 2011