



ANNUAL GENERAL MEETING OF SHAREHOLDERS

Friday, April 7, 2017

NOTICE OF MEETING

AND

INFORMATION CIRCULAR

fundamental

APPLICATIONS CORP

Suite 830, 1100 Melville Street

Vancouver, BC V6E 4A6

www.FunAppCorp.com

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual General Meeting of Shareholders (the “**Meeting**”) of Fundamental Applications Corp. (the “**Company**”) will be held at Suite 830, 1100 Melville Street, Vancouver, British Columbia, on Friday, April 7, 2017, at 10:00 a.m. (Pacific Time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the financial year ended June 30, 2016, together with the auditor’s report thereon;
2. to fix the number of directors of the Company to be elected at three (3);
3. to elect directors of the Company for the ensuing year;
4. to appoint Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, as auditor of the Company for the ensuing year and to authorize the board of directors to fix the auditor’s remuneration;
5. to consider and, if thought fit, to pass an ordinary resolution ratifying and approving the Company’s existing Stock Option Plan, as more particularly described in the accompanying Management Information Circular; and
6. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

This notice is accompanied by a Management Information Circular (the “**Circular**”), either a form of proxy for registered shareholders or a voting instruction form for beneficial (non-registered) shareholders and a Financial Statement Request Form. Please review the accompanying Circular before voting as it contains important information about the Meeting and is deemed to form part of this notice.

Shareholders who are unable to attend the Meeting in person are requested to read the information on the enclosed form of proxy or voting instruction form and vote by telephone, on the internet or by completing and returning the enclosed form of proxy or voting instruction form in accordance with the instructions set out therein.

A registered shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit a duly executed form of proxy with the Company’s transfer agent and registrar, Computershare Investor Services Inc., by 10:00 a.m. (Pacific Time) on April 5, 2017, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjourned or postponed Meeting.

If you are a beneficial (non-registered) shareholder receiving these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary.

The record date for the determination of those shareholders entitled to receive the Notice of, and to vote at, the Meeting and any adjournment or postponement, is the close of business on March 3, 2017.

We value your opinion and participation in the Meeting as a shareholder of Fundamental Applications Corp.

DATED at Vancouver, British Columbia, this 3rd day of March, 2017.

By Order of the Board of Directors

“Bradley Moore”

Bradley Moore
Chief Executive Officer and Director

FUNDAMENTAL APPLICATIONS CORP.

Suite 830, 1100 Melville Street
Vancouver, BC V6E 4A6

MANAGEMENT INFORMATION CIRCULAR

This Management Information Circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of **FUNDAMENTAL APPLICATIONS CORP.** (the “**Company**”) for use at the Annual General Meeting of the shareholders of the Company (the “**Meeting**”) to be held on Friday, April 7, 2017, at the Company’s executive office located at Suite 830, 100 Melville Street, Vancouver, British Columbia, Canada, at 10:00 a.m. (Pacific Time) and any adjournments thereof for the purpose set forth in the enclosed Notice of Annual General Meeting (the “**Notice of Meeting**”).

The information contained in this Circular, unless otherwise indicated, is as of March 3, 2017.

SOLICITATION OF PROXIES

The solicitation of proxies will be primarily by mail but may also be solicited personally or by telephone, or electronic means of communication by the directors, officers and employees of the Company. The Company will bear all costs of such solicitation.

We have arranged for intermediaries to forward Meeting materials to beneficial owners of the common shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

DISTRIBUTION OF MEETING MATERIALS

This Circular and related Meeting materials are being sent directly to both registered and non-objecting beneficial owners of common shares of the Company in accordance with National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer (“NI 54-101”)*. Further, as the Company does not intend to pay proximate intermediaries to send the Meeting materials to objecting beneficial owners of common shares of the Company, also in accordance with NI 54-101 and Form 54-101F7, *Request for Voting Instructions Made by Intermediary*, objecting beneficial owners will not receive the materials unless the objecting beneficial owners’ intermediaries assume the cost of delivery.

If you are a non-objecting beneficial owner and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the appropriate voting instruction form.

You may receive multiple packages of Meeting materials if you hold common shares through more than one broker, intermediary, trustee or other nominee (each, an “**Intermediary**”), or if you are both a registered shareholder and a non-registered shareholder for different shareholdings. You should repeat the steps to vote through a proxy, appoint a proxyholder or attend the Meeting, if desired,

separately for each shareholding to ensure that all the common shares from your various shareholdings are represented and voted at the Meeting.

APPOINTMENT OF PROXYHOLDER

The persons named as proxyholders to represent registered shareholders at the Meeting are Bradley Moore, Chief Executive Officer and a director of the Company, and Alexander Helmel, Interim Chief Financial Officer and a director of the Company.

A shareholder wishing to appoint some other person or company (who need not be a shareholder) to represent him or her at the Meeting has the right to do so, either by inserting such person's or company's name in the blank space provided in the Form of Proxy or by completing another Form of Proxy. Such a shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how the shareholder's common shares are to be voted. In any case, the Form of Proxy should be dated and executed by the shareholder or his/her attorney authorized in writing, or if the shareholder is a company, under its corporate seal, or by an officer or attorney thereof duly authorized.

Similar procedures should be followed by a non-registered shareholder with respect to the completion of a Voting Instruction Form (“VIF”) provided by such shareholder's Intermediary, although the shareholder should read the instructions on his or her VIF and, if necessary, confirm the instructions with his or her Intermediary. If a non-registered shareholder wishes to attend the Meeting to vote in person, the shareholder must instruct the Intermediary to appoint him or her as a proxyholder.

A proxy will not be valid for the Meeting or any adjournment thereof unless the completed, signed and dated form of proxy is delivered to the office of Computershare Investor Services Inc. (“Computershare”) by mail or by hand at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting.

REVOCATION OF PROXIES

Shareholders may revoke their proxies or voting instructions as follows. Proxies of registered shareholders submitted by mail, telephone or through the Internet using a Form of Proxy may be revoked by submitting a new proxy to Computershare by mail or by hand at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the Meeting, or one business day before any adjournment of the Meeting. Alternatively, a registered shareholder who wishes to revoke a proxy may do so by depositing an instrument in writing addressed to the attention of the Chief Executive Officer and executed by the shareholder or by the shareholder's attorney authorized in writing. Such an instrument must be deposited at the executive office of the Company located at Suite 830, 1100 Melville Street, Vancouver, British Columbia, V6E 4A6, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used. On the day of the Meeting or any adjournment thereof, a registered shareholder may revoke a proxy by depositing such an instrument in writing with the Chairman of the Meeting; however, it will not be effective with respect to any matter on which a vote has already been cast. In addition, a proxy may be revoked by any other manner permitted by law.

Non-registered shareholders should contact the Intermediary through which they hold common shares in order to obtain instructions regarding the procedures for the revocation of any voting instructions that they previously provided to their Intermediary.

VOTING OF PROXIES

The persons named in the enclosed Form of Proxy have indicated their willingness to represent, as proxyholders, the shareholders who appoint them. Each shareholder may instruct his or her proxyholder how to vote his or her common shares by completing the blanks in the Form of Proxy.

Common shares represented by properly executed proxy forms in favour of the persons designated on the enclosed Form of Proxy will be voted or withheld from voting on any poll in accordance with instructions made on the Form of Proxy, and, if a shareholder specifies a choice as to any matters to be acted on, such shareholder's common shares shall be voted accordingly. **In the absence of such instructions, the management designees, if named as proxy, will vote in favour of all matters set out thereon.**

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments and variations to matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. At the time of printing this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

VOTING BY NON-REGISTERED SHAREHOLDERS (BENEFICIAL SHAREHOLDERS)

The information in this section is important to many shareholders as a substantial number of shareholders do not hold their common shares in their own name.

Shareholders who hold common shares through an Intermediary (collectively, "**Beneficial Shareholders**") should note that only proxies deposited by shareholders whose names appear on the share register of the Company may be recognized and acted upon at the Meeting. If the Company's common shares are shown on an account statement provided to a Beneficial Shareholder by an Intermediary, then in almost all cases the name of such Beneficial Shareholder **will not** appear on the share register of the Company. Such shares will most likely be registered in the name of the Intermediary. In Canada, the vast majority of such shares will be registered in the name of "**CDS & Co.**", the registration name of The Canadian Depository for Securities Limited, which acts as a nominee for many brokerage firms. Such shares can only be voted by Intermediaries in accordance with instructions received from Beneficial Shareholders. **As a result, Beneficial Shareholders should carefully review the voting instructions provided by their Intermediary with this Circular and ensure that they direct the voting of their common shares in accordance with those instructions.**

Applicable regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Each Intermediary has its own mailing procedures and provides its own return instructions to clients. The purpose of the Form of Proxy or VIF provided to a Beneficial Shareholder by such shareholder's Intermediary is limited to instructing the registered holder of the relevant shares on how to vote such shares on behalf of the Beneficial Shareholder. Most Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically supplies a VIF, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of shares at the Meeting. **A Beneficial Shareholder receiving a VIF from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the VIF must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure that such shares are voted.**

RECORD DATE AND QUORUM

The Company has set the close of business on March 3, 2017, as the record date (the “**Record Date**”) for the Meeting. Only the common shareholders of record as at the Record Date are entitled to receive notice of and to vote at the Meeting, unless after that date a shareholder of record transfers his or her common shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he or she owns such shares, requests at least ten (10) days prior to the Meeting that the transferee’s name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such shares at the Meeting.

Under the Articles of the Company, subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at the Meeting is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth in this Circular and except for the fact that certain directors and officers of the Company may have been granted stock options, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditor, of any person who has been a director or executive officer of the Company at any time since the beginning of the Company’s last financial year, of any proposed nominee for election as a director of the Company, or of any associate or affiliate of such persons.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value of which 39,372,344 common shares were issued and outstanding as of the Record Date. The holders of the Company’s common shares of record at the Record Date are entitled to vote such shares at the Meeting on the basis of one vote for each common share held.

The issued and outstanding common shares are listed for trading on the Canadian Securities Exchange (the “**CSE**”) under the symbol FUN.

To the knowledge of the directors and executive officers of the Company, and based upon the Company’s review of the records maintained by Computershare and insider reports filed with the System for Electronic Disclosure by Insiders, as at the Record Date, no person or company beneficially owned, directly or indirectly, or exercised control or direction over common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company.

STATEMENT OF EXECUTIVE COMPENSATION

The objective of this disclosure is to communicate all direct and indirect compensation the Company has paid, made payable, awarded, granted, given or otherwise provided to certain executive officers and directors for, or in connection with, services they have provided to the Company or a subsidiary of the Company, and the decision-making process related to compensation.

In this Circular:

“CEO” means an individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” means an individual who acted as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“equity incentive plan” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment*;

“incentive plan” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“incentive plan award” means compensation awarded, earned, paid, or payable under an incentive plan;

“NEO” or **“named executive officer”** means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, *Statement of Executive Compensation*, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

“non-equity incentive plan” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“option-based award” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“share-based award” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

COMPENSATION DISCUSSION & ANALYSIS

The Company’s executive compensation program is informal at this time and is administered by the Company’s Board of Directors (the **“Board”**). The Board informally discusses and approves the executive compensation that is competitive in order to attract, motivate and retain highly skilled and experienced executive officers, to provide fair and competitive compensation, to align the interest of management with those of shareholders and to reward corporate and individual performance.

The compensation awarded to, earned by, paid to or payable to each of the NEOs for the most recently completed financial year is set out under the heading “*Summary Compensation Table*” below.

Compensation Review Process

The Board reviews, from time to time, the cash compensation, any bonus and stock option grants to each executive officer, including NEOs.

It is the intention of the Company that cash compensation to NEOs shall remain more or less constant, while the granting of any options or bonuses may fluctuate from year to year.

Assessment of Individual Performance

The Company bases compensation for the Company’s executive officers on the time of service with the Company, responsibilities of each officer and their duties in that position, as well as on the performance of each officer. The Company believes that stock options can create a strong incentive to the performance of each officer and is intended to recognize extra contributions and achievements towards the goals of the Company.

Elements of Executive Compensation

There are three main elements of direct compensation, namely base salary, bonuses and equity participation through the Company’s stock option plan. The Company’s current stock option plan (the “**Stock Option Plan**”) is discussed under the heading “*Securities Authorized for Issuance under Equity Compensation Plans – Description of Stock Option Plan*” below. The Stock Option Plan is also discussed under the heading “*Particulars of Matters to be Acted Upon at the Meeting - 5. Stock Option Plan*”. In determining the compensation of NEOs, the Board considers the following goals and objectives of the Company which are:

- to attract and retain qualified and experienced executives in today’s market place;
- to encourage and reward outstanding performance by those people who are in the best position to enhance the Company’s near-term results and long-term prospects;
- to ensure compensation paid is competitive with the current market.

Base Salary

Base salary is the principal component of an executive officer’s compensation package. The Board also considers an executive officer’s performance and levels of responsibility and importance to the Company.

The Company does not currently have any management agreements, employment agreements, plans or arrangements in respect of compensation with its NEOs.

Bonuses

The Board reviews on a discretionary basis bonuses to be paid by the Company to NEOs in each financial year. The CEO recommends bonuses to be paid by the Company to other eligible employees and consultants. During the year ended June 30, 2016, no bonuses were paid by the Company to NEOs.

Equity Participation through Stock Option Plans

The stock option component of the Company's executive compensation program is intended to encourage and reward outstanding performance over the short and long terms, and to align the interests of the NEOs with those of the Company's shareholders. Options are awarded by the Board, which bases its decisions upon the level of responsibility and contribution of the individuals towards the Company's goals and objectives. The Board also takes into consideration the amount and terms of outstanding stock options in determining its recommendations regarding the options to be granted during any fiscal year.

The stock option component of executive compensation acts as an incentive for the NEOs to work to enhance the Company's value over the long term, and to remain with the Company.

The Board is of the view that the Company's compensation structure appropriately takes into account the factors relevant to the technology industry, the Company's performance within that industry, and the individual contributions to the Company's performance made by its NEOs.

Option-based awards

Please see "*Equity Participation through Stock Option Plans*" above for details of the process used by the Company in granting option-based awards to NEOs.

The stock option grants to directors, officers, other employees and consultants are determined by an assessment of the individual's current and expected future performance, level of responsibilities, importance of the position held, contribution to the Company and previous option grants and exercise prices including:

- the remuneration paid to the individual as at the grant date in relation to the total remuneration payable by the Company to all of its directors, officers, employees and consultants as at the grant date;
- the length of time that each individual has been employed or engaged by the Company; and
- the quality of work performed by such director, officer, employee or consultant.

Summary Compensation Table

During the year ended June 30, 2016, the Company had five NEOs: (i) Bradley Moore, CEO and a director of the Company; (ii) Alexander Helm, Interim CFO and a director of the Company; (iii) Richard Whitehead, former CEO and a former director of the Company; (iv) Marco Parente, former CFO of the Company; and (v) A. Canon Bryan, former CFO of the Company.

As the Company was incorporated on July 14, 2014, the following table sets forth all compensation for its initial financial year ended June 30, 2015, and its most recently completed financial year ended June 30, 2016, in respect of the individuals who were NEOs of the Company:

NEO Name and Principal Position	Year Ended June 30	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) ⁸	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Bradley Moore ¹ CEO & Director	2016	65,173	Nil	114,956 ⁶	Nil	Nil	Nil	Nil	180,129
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alexander Helmel ² Interim CFO & Director	2016	17,300	Nil	20,246 ⁷	Nil	Nil	Nil	Nil	37,546
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Richard Whitehead ³ Former CEO & Former Director	2016	40,500	Nil	174,730 ⁸	Nil	Nil	Nil	Nil	215,230
	2015	18,000	Nil	Nil	Nil	Nil	Nil	Nil	18,000
Marco Parente ⁴ Former CFO	2016	500	Nil	Nil	Nil	Nil	Nil	Nil	500
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
A. Canon Bryan ⁵ Former CFO	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- 1 Bradley Moore was appointed CEO and a director of the Company on February 3, 2016.
- 2 Alexander Helmel was appointed Interim CFO on October 29, 2015, and a director of the Company on May 8, 2015.
- 3 Richard Whitehead served as CEO from April 8, 2015, until February 3, 2016, and as a director of the Company from April 10, 2015, until February 3, 2016.
- 4 Marco Parente served as CFO of the Company from July 9, 2015, to October 29, 2015.
- 5 A. Canon Bryan served as CFO of the Company from August 7, 2014, to July 9, 2015.
- 6 The fair value of 600,000 options exercisable at \$0.26 as granted on May 10, 2016.
- 7 The fair value of 105,000 options exercisable at \$0.26 as granted on August 4, 2015.
- 8 The fair value of 1,000,000 options exercisable at \$0.26 as granted on August 5, 2015.

The fair value of stock options granted during the last two fiscal years is estimated on the date of grant using the Black-Scholes option pricing model. The fair value of stock options does not mean the options were exercised or that any shares were sold. The following assumptions were used in the fair value calculation:

	<u>2016</u>	<u>2015</u>
Risk-free interest rate	0.68% - 0.79%	1.10%
Dividend yield	Nil	Nil
Expected volatility	100%	100%
Expected life	5 years	5 years

Narrative Discussion

The Company's general compensation strategy for NEOs is discussed above under "Compensation Review Process" and "Elements of Executive Compensation" above.

The Company does not currently have any management agreements or employment agreements with its NEOs. There are no other plans or arrangements in respect of compensation received by NEOs.

Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

Please see "Securities Authorized for Issuance under Equity Compensation Plans" below for details of the Company's stock option plan. The following table sets forth outstanding stock options held by NEOs as at June 30, 2016.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise (\$)	Option expiration date	Value of unexercised in-the-money options ¹ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Bradley Moore CEO & Director	600,000	\$0.26	May 10, 2021	Nil	Nil	N/A	N/A
Alexander Helm Interim CFO & Director	105,000	\$0.26	August 4, 2020	Nil	Nil	N/A	N/A
Richard Whitehead Former CEO & Former Director	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Marco Parente Former CFO	Nil	N/A	N/A	N/A	N/A	N/A	N/A
A. Canon Bryan Former CFO	Nil	N/A	N/A	N/A	N/A	N/A	N/A

¹ The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at June 30, 2016, and the exercise price of the options. The closing price of the Company's common shares on the CSE on June 30, 2016, was \$0.22 per share.

Incentive Plan Awards – Value Vested or Earned During the Year Ended June 30, 2016

The following table sets forth the details of the aggregate dollar value that would have been realized by the Company's NEOs in the most recently completed financial year if the options under the option-based awards had been exercised on their respective vesting dates.

Name	Option-based awards –	Share-based awards –	Non-equity incentive plan compensation –
	Value vested during the year (\$)	Value vested during the year (\$)	Value earned during the year (\$)
Bradley Moore CEO & Director	Nil	Nil	Nil
Alexander Helm Interim CFO & Director	Nil	Nil	Nil
Richard Whitehead Former CEO & Former Director	Nil	Nil	Nil
Marco Parente Former CFO	Nil	Nil	Nil
A. Canon Bryan Former CFO	Nil	Nil	Nil

Narrative Discussion

Options are typically granted for a period of five years and have a vesting period as determined by the Board.

Pension Plan Benefits

As at the year ended June 30, 2016, and to the date of this Circular, the Company did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans for its NEOs, directors or officers.

Termination and Change of Control Benefits

As at the year ended June 30, 2016, the Company did not have any contract, agreement, plan or arrangement that provides for payments to any NEOs, executive officers or directors at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's, executive officer's or director's responsibilities.

DIRECTOR COMPENSATION

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company or its subsidiaries for their services in their capacity as directors. The directors of the Company may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors. Directors are also eligible to receive incentive stock options to purchase common shares of the Company under the Company's stock option plan.

From the inception of the Company to the date of this Circular, no compensation was paid to any director of the Company who was not also an executive officer of the Company.

The following table shows the compensation provided to non-executive directors for the year ended June 30, 2016. Please see "Summary Compensation Table" under "Executive Compensation" above for details of compensation paid by the Company to those directors who are also NEOs.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Khalil Bhimji ¹ Director	Nil	Nil	7,713 ²	Nil	Nil	Nil	7,713
Julian Ing ³ Former Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil

1 Khalil Bhimji was appointed a director of the Company on August 5, 2015.

2 The fair value of 40,000 options exercisable at \$0.26 as granted on August 4, 2015.

3 Julian Ing served as a director of the Company from November 10, 2014, until August 4, 2015.

The fair value of stock options granted during the last two fiscal years is estimated on the date of grant using the Black-Scholes option pricing model. The fair value of stock options does not mean the options were exercised or that any shares were sold. The following assumptions were used in the fair value calculation:

	2016	2015
Risk-free interest rate	0.68% - 0.79%	1.10%
Dividend yield	Nil	Nil
Expected volatility	100%	100%
Expected life	5 years	5 years

Outstanding Director Share-Based and Option-Based Awards

The following table sets forth share-based and option-based awards outstanding for the directors of the Company who were not NEOs for the year ended June 30, 2016.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ¹ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Khalil Bhimji Director	40,000	0.26	August 4, 2020	Nil	Nil	N/A	N/A
Julian Ing ² Former Director	Nil	N/A	N/A	N/A	N/A	N/A	N/A

- 1 The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at June 30, 2016, and the exercise price of the options. The closing price of the Company's common shares on the CSE on June 30, 2016, was \$0.22 per share.
- 2 Julian Ing resigned as a director of the Company on August 4, 2015, and his options were subsequently cancelled on November 4, 2015.

Incentive Plan Awards – Value Vested or Earned During the Year Ended June 30, 2016

The following table sets forth the details of the aggregate dollar value that would have been realized by the Company's non-executive directors in the most recently completed financial year if the options under the option-based awards had been exercised on their respective vesting dates.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Khalil Bhimji	Nil	Nil	Nil
Julian Ing	Nil	Nil	Nil

Defined Benefit or Actuarial Plan Disclosure

The Company had no defined benefit plan or actuarial plan as at June 30, 2016.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Board adopted a 10% rolling stock option plan effective September 18, 2014 (the “**Stock Option Plan**”) and obtained shareholder approval of the Plan at the Company's shareholder meeting held January 7, 2016. As such, re-approval of the Plan by the shareholders of the Company will be sought at the Meeting.

The following table sets forth information with respect to the stock options outstanding under the Stock Option Plan as at June 30, 2016.

Equity Compensation Plan Information

Plan Category	Number of common shares to be issued upon exercise of outstanding options (a)	Weighted average exercise price of outstanding options, (b)	Number of common shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ¹ (c)
Equity compensation plans previously approved by shareholders	1,800,000	N/A	656,612
Equity compensation plans not previously approved by shareholders	N/A	N/A	N/A
TOTAL:	1,800,000	\$0.259	656,612

1 Represents the number of common shares available for issuance under the Stock Option Plan, which reserves a number of common shares for issuance pursuant to the exercise of stock options, that is equal to 10% of the issued and outstanding common shares from time to time.

Description of the Incentive Stock Option Plan

The following is a summary of the substantive terms of the Company's current Stock Option Plan. As the Stock Option Plan was last approved by the shareholders of the Company at the shareholder's meeting held January 7, 2016, re-approval of the Stock Option Plan will be sought at the Meeting. A summary of the Stock Option Plan is discussed below and under the heading "*Particulars of Matters to be Acted Upon at the Meeting - 5. Stock Option Plan*".

The purpose of this Stock Option Plan is to attract and retain directors, officers, employees and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under the Stock Option Plan to purchase Common Shares. Unless authorized by the shareholders of the Company, the Stock Option Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Common Shares, shall not result, at any time, in the number of Common Shares reserved for issuance pursuant to options exceeding 10% of the issued and outstanding shares as at the date of grant of any option under the Stock Option Plan.

The Stock Option Plan contains provisions such that:

- (a) the term of an option cannot exceed five years from the date of grant;
- (b) no more than 5% of the issued and outstanding shares of the Issuer may be granted to any one individual in any 12 month period;
- (c) no more than 2% of the issued and outstanding shares of the Issuer may be granted to any one consultant in any 12 month period;
- (d) no more than 2% of the issued and outstanding shares of the Issuer may be granted to any one person conducting investor relations activities in any 12 month period;
- (e) options will vest at the discretion of the Issuer's directors;
- (f) options are non-assignable and non-transferable, except as provided for in the event of a death of an optionee;
- (g) the period in which an optionee's heirs or administrators can exercise any portion of outstanding options must not exceed 12 months from the optionee's death;
- (h) option grants are limited to bona fide directors, officers, employees or consultants, or corporations wholly owned by such directors, officers, employees or consultants, as the case may be; and

- (i) vested options terminate 90 days subsequent to any director, officer, employee or consultant ceasing to be engaged by the Issuer for any reason other than death; and
- (j) vested options terminate 30 days subsequent to any optionee engaged in investor relations activities ceasing to be engaged by the Issuer.

The Stock Option Plan is administered by the Company's Board of Directors, which, subject to the limitations of the Stock Option Plan, has the authority to:

- (a) grant options to purchase common shares to eligible persons;
- (b) determine the terms, limitations, restrictions and conditions respecting such grants;
- (c) interpret the Stock Option Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Stock Option Plan as it shall from time to time deem advisable; and
- (d) make all other determinations and take all other actions in connection with the implementation and administration of the Stock Option Plan including, without limitation, for the purpose of ensuring compliance with securities laws and CSE policies.

Pursuant to the Stock Option Plan and subject to a minimum price of \$0.10 per common share, the exercise price of an option is set by the Board and cannot be less than the closing market price of the common shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the CSE.

In addition, the Stock Option Plan contains provisions for changes in options pursuant to, among other corporate actions, any share consolidation or subdivision, stock dividend, take-over bid, or change of control.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There was no indebtedness outstanding for any current or former director, executive officer, employee, or director nominee of the Company or any of its subsidiaries which is owing to the Company or any of its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no proposed nominee for election as a director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries,

in relation to a securities purchase program or other program.

Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Applicable securities legislation defines “*informed person*” to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

None of the informed persons of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transactions since the commencement of the Company’s last completed financial year, or in any proposed transaction which, in either case, has or will materially affect the Company or any of its subsidiaries, except as disclosed herein.

MANAGEMENT CONTRACTS

No management functions of the Company or any subsidiary of the Company are to any substantial degree performed by a person other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE DISCLOSURE

Corporate Governance Practices

Corporate governance relates to activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day to day management of the Company. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. National Instrument 58-101, *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), requires that each reporting company disclose its corporate governance practices on an annual basis.

The Company’s general approach to corporate governance is summarized below.

Board of Directors

The Board of Directors is currently composed of four directors. All director nominees are current directors of the Company. However, current director Khalil Bhimji will not be standing for re-election at the Meeting.

Independence

Section 1.4 of National Instrument 52-110, *Audit Committees* (“**NI 52-110**”), sets out the standard for director independence. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company.

Applying the definition set out in NI 52-110, two of the four members of the Board are independent. The members who are independent are Mssrs. Khalil Bhimji and Jeffrey Hayzlett. Mssrs. Bradley Moore and Alexander Helmel are not independent by virtue of the fact that they are executive officers of the Company – Mr. Moore is the CEO and Mr. Helmel serves as the Interim CFO.

Other Directorships

In addition to his position on the Board of Directors, the following director also serves as a director of the following reporting issuers or reporting issuer equivalents:

Name of Director	Name of Reporting Issuer or Equivalent	Exchange or Market
Alexander Helmel	Network Exploration Ltd. Windfire Capital Corp.	TSX Venture TSX Venture

Orientation and Continuing Education

The Company has not adopted a formalized process of orientation for new Board members. Orientation of new directors is conducted on an ad hoc basis.

Directors are kept informed as to matters impacting, or which may impact, the Company's operations through reports and presentations at Board meetings. Directors are also provided with the opportunity to meet with senior management and other employees, advisors and directors, who can answer any questions that may arise.

Ethical Business Conduct

The Board is apprised of the activities of the Company and ensures that it conducts such activities in an ethical manner. The Board has not adopted a written code of business conduct and ethics, however, the Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary actions for violations of ethical business conduct. In particular, the Board ensures that directors exercise independent judgment in considering transactions and certain activities of the Company by holding in camera sessions of independent directors, when applicable, and by having each director declare his or her interest in a particular transaction and abstaining from voting on such matters, where applicable.

Nomination of Directors

The Board does not have a nominations committee or a formal procedure with respect to the nomination of directors. In general, nominees will be the result of recruitment efforts by members of the Board, including both formal and informal discussions among members of the Board.

Compensation

The Board does not have a compensation committee or a formal procedure with respect to determining compensation for the directors and the CEO.

The Board as a whole is responsible for reviewing the adequacy and form of compensation paid to the Company's executive officers and key employees and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling these responsibilities, the

independent members of the Board will evaluate the performance of the CEO and other senior management in light of corporate goals and objectives, and will make recommendations with respect to compensation levels based on such evaluation.

Board Committees

As the Board is actively involved in the operations of the Company and the size of the Company does not warrant a larger Board, the Board has determined that committees, other than the audit committee (the “**Audit Committee**”), are not necessary at this stage of the Company’s development.

The Board is responsible for the stewardship of the Company through the supervision of the business and management of the Company. This mandate is accomplished directly and through the Audit Committee. The Audit Committee facilitates effective Board decision-making by providing recommendations to the Board on matters within its responsibility.

Audit Committee

The Audit Committee assists the Board in fulfilling its responsibilities for oversight of financial and accounting matters. The Audit Committee recommends the auditors to be nominated and reviews the compensation of the auditors. The Audit Committee is directly responsible for overseeing the work of the auditors, must pre-approve non-audit services, be satisfied that adequate procedures are in place for the review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements and must establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters.

The Company’s Audit Committee is governed by an Audit Committee Charter, a copy of which is attached hereto as Schedule “A”.

Composition of the Audit Committee

The Company’s Audit Committee is currently comprised of Bradley Moore, Alexander Helm and Khalil Bhimji, all of whom are “financially literate” in accordance with Section 1.6 of NI 52-110, which states that an individual is financially literate if he or she has the ability to read and understand a set of financial statements that presents a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer’s financial statements.

Applying the definition of “independence” set out in section 1.4 of NI 52-110, Khalil Bhimji is an independent member of the Audit Committee. Bradley Moore and Alexander Helm are not independent by virtue of the fact that they serve as CEO and Interim CFO, respectively, of the Company.

Relevant Education and Experience

Bradley Moore has over 20 years’ of practical business leadership experience with Fortune 500 companies, including nine years with Eastman Kodak Co. (NYSE: KODK) and a strong background in growing internet-based companies. Mr. Moore holds an MBA from Royal Roads University.

Alexander Helm, as Chief Executive Officer and director of Redonda Management Ltd., is an independent management consultant for early-stage venture companies within the Canadian capital markets. Mr. Helm has over 15 years’ experience working with private and publicly traded

companies and over 20 years' within the information technology sector. He specializes in developing corporate growth strategies and corporate assets, building senior management teams, and assisting private-to-public market transitions. Mr. Helmel has held directorship or officer positions for numerous private companies and venture issuers. Presently, he serves as President, Chief Executive Officer and Director of Network Exploration Ltd. and is a director of Windfire Capital Corp., both TSX Venture-listed issuers, and Chief Financial Officer and Secretary of Fandom Sports Media Corp., a CSE-listed issuer. Mr. Helmel obtained his Bachelor of Science (Mathematics) degree from the University of British Columbia in 1994 and his Certified Information Systems Analyst (CISA) designation in 2006.

Khalil Bhimji is a Chartered Accountant with over 10 years' experience in senior financial roles and in the Canadian public markets. His career spans various accounting, finance, and operations positions, including management experience, at start-up organizations in both hardware and software technology. Mr. Bhimji's most recent post was Vice President Finance for Parktoria Technologies, LLC, a high-tech software development start-up specializing in municipal infrastructure products related to parking. He holds an Undergraduate Degree from Simon Fraser University and a Chartered Accountant designation.

The experiences of the members of the Audit Committee has given each:

- (i) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (ii) the ability to assess the general application of accounting principles in connection with accounting estimates, accruals and reserves;
- (iii) experience analyzing and evaluating financial statements similar to those of the Company; and
- (iv) an understanding of internal controls and procedures for financial reporting pertinent to the Company.

The Audit Committee meets no less frequently than quarterly, separately with the Auditor and the CFO, to review the Company's accounting practices, internal controls and such other matters as the Audit Committee or CFO deem appropriate, and recommends to the Board for approval the quarterly and annual financial statements of the Company.

Pre-Approval of Policies and Procedures

The Audit Committee must pre-approve any engagement of the external auditor for any non-audit services to the Company in accordance with applicable law and policies and procedures to be approved by the Board. The engagement of non-audit services will be considered by the Board on a case by case basis.

External Auditor Service Fees

In the following table, "**audit fees**" are fees billed by the Company's external auditors for services provided in auditing the Company's annual financial statements for the subject year. "**Audit-related fees**" are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "**Tax fees**" are fees billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. "**All other fees**" are fees billed by the auditors for products and services not included in the foregoing categories.

The auditors' fees for each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
June 30, 2016	\$17,500	\$0	\$0	\$0
June 30, 2015	\$14,000	\$0	\$0	\$0

As a venture issuer within the meaning of National Instrument 52-110, *Audit Committees*, the Company is relying upon the exemption provided by Section 6.1 of NI 52-110 which exempts venture issuers from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

1. Financial Statements

The Board has approved the audited financial statements of the Company for the fiscal year ended June 30, 2016, together with the auditors' report thereon. Copies of these financial statements have been sent to those shareholders, who had requested receipt of same, and are also available on SEDAR.

2. Fixing the Number of Directors

At the Meeting, it is proposed that the number of directors to be elected to hold office until the next annual meeting of shareholders of the Company or until their successors are elected or appointed be set at three (3).

Unless otherwise directed, it is the intention of management to vote proxies IN FAVOUR of setting the number of directors to be elected at three (3).

3. Election of Directors

All current directors of the Company cease to hold office immediately before the election or appointment of directors at the Meeting but are eligible for re-election or re-appointment. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Articles of the Company, each director elected will hold office until the next annual general meeting of the Company, or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated.

It is proposed that the below-stated nominees be elected at the Meeting as directors of the Company for the ensuing year. **The persons designated in the enclosed Form of Proxy, unless instructed otherwise, intend to vote FOR the election to the Board of the nominees listed below.** Management does not contemplate that any of the nominees will be unable to serve as a director.

Pursuant to the Company's Advance Notice Provisions contained in its Articles, any additional director nominations for the Meeting must have been received by the Company in accordance with the provisions. As no such nominations were received by the Company, management's nominees for election as directors set forth below are the only nominees eligible to stand for election at the Meeting.

The following table sets out the names of management’s nominees for election as directors; all offices in the Company each nominee now holds; each nominee’s principal occupation, business or employment; the period of time during which each nominee has been a director of the Company; and the number of common shares of the Company beneficially owned by each nominee, directly or indirectly, or over which each nominee exercised control or direction, as at the Record Date.

Name, Municipality of Residence and Position Held	Principal Occupation for the Past Five Years	Director of the Company Since	Common Shares Beneficially Owned or Controlled
Bradley Moore¹ Vancouver, BC Canada <i>Chief Executive Officer and Director</i>	Chief Executive Officer/Director of Fundamental Applications Corp. (February 2016-present); Chief Revenue Officer of Recombo (2014-2016); VP Sales & Marketing of Blogdash (2012-2014); Canadian Armed Forces (2LT-Military Int., 2007-2010; Airborne-Infantry, 1985-1992)	February 3, 2016	545,454
Alexander Helmel¹ Vancouver, BC Canada <i>Interim Chief Financial Officer and Director</i>	Chief Executive Officer and Director of Redonda Management Ltd. (January 1994-present); President (March 2006-present), Chief Executive Officer (August 2007-present) and Director (March 2006-present) of Network Exploration Ltd.; Director of Windfire Capital Corp. (April 2015-present); Director of Lateral Gold Corp. (December 2014-present); Chief Financial Officer of Hatch Interactive Technologies Corporation (September 2015-present)	May 8, 2015	666,666
Jeffrey Hayzlett¹ Sioux Falls, South Dakota United States <i>Director</i>	Co-founder and Chairman of the C-Suite Network (2013-present); Chief Executive Officer of the Hayzlett Group, and Chairman of TallGrass Public Relations (2008-present); Chief Marketing Officer of the Eastman Kodak Company from 2006-2010.	August 8, 2016	Nil

¹ Proposed Member of Audit Committee

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, other than as disclosed below, no proposed director:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

4. Appointment of Auditor

Shareholders of the Company will be asked to vote for the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the Company's auditor, to hold office until the next annual general meeting of shareholders, at a remuneration to be fixed by the directors.

In the absence of instructions to the contrary, the shares represented by proxy will be voted FOR the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year, at a remuneration to be fixed by the Board of Directors.

5. Stock Option Plan

The Company is seeking approval of its "rolling" stock option plan (the "**Stock Option Plan**"), whereby 10% of the number of issued and outstanding shares of the Company at any given time may be reserved for issuance pursuant to the exercise of options. The Board of Directors of the Company adopted the Stock Option Plan on September 18, 2014, and shareholders last ratified and approved the Stock Option Plan at the shareholders' meeting held January 7, 2016. Shareholders will be asked at the Meeting to consider and, if thought fit, approve an ordinary resolution ratifying and approving the Stock Option Plan.

The Stock Option Plan was established to attract and retain directors, officers, employees and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under the Stock Option Plan to purchase common shares of the Company. The intention of management in proposing the Stock Option Plan is to increase the proprietary interest of such persons in the Company and, thereby, aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company.

The Stock Option Plan provides for a floating maximum limit of 10% of the outstanding common shares, as permitted by the policies of the CSE. As of the date of this Circular, the Company was eligible to grant up to 3,412,234 options under its Stock Option Plan and there are presently 2,360,000 options

outstanding and 1,052,234 reserved and available for issuance. All outstanding incentive stock options are subject to the terms and conditions of the Stock Option Plan.

The Stock Option Plan contains provisions such that:

- (a) the term of an option cannot exceed five years from the date of grant;
- (b) no more than 5% of the issued and outstanding shares of the Issuer may be granted to any one individual in any 12 month period;
- (c) no more than 2% of the issued and outstanding shares of the Issuer may be granted to any one consultant in any 12 month period;
- (d) no more than 2% of the issued and outstanding shares of the Issuer may be granted to any one person conducting investor relations activities in any 12 month period;
- (e) options will vest at the discretion of the Issuer's directors;
- (f) options are non-assignable and non-transferable, except as provided for in the event of a death of an optionee;
- (g) the period in which an optionee's heirs or administrators can exercise any portion of outstanding options must not exceed 12 months from the optionee's death;
- (h) option grants are limited to bona fide directors, officers, employees or consultants, or corporations wholly owned by such directors, officers, employees or consultants, as the case may be; and
- (i) vested options terminate 90 days subsequent to any director, officer, employee or consultant ceasing to be engaged by the Issuer for any reason other than death; and
- (j) vested options terminate 30 days subsequent to any optionee engaged in investor relations activities ceasing to be engaged by the Issuer.

The Stock Option Plan is administered by the Company's Board of Directors, which, subject to the limitations of the Stock Option Plan, has the authority to:

- (a) grant options to purchase common shares to eligible persons;
- (b) determine the terms, limitations, restrictions and conditions respecting such grants;
- (c) interpret the Stock Option Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Stock Option Plan as it shall from time to time deem advisable; and
- (d) make all other determinations and take all other actions in connection with the implementation and administration of the Stock Option Plan including, without limitation, for the purpose of ensuring compliance with securities laws and CSE policies.

Pursuant to the Stock Option Plan and subject to a minimum price of \$0.10 per common share, the exercise price of an option is set by the Board of Directors and cannot be less than the closing market price of the common shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the CSE.

In addition, the Stock Option Plan contains provisions for changes in options pursuant to, among other corporate actions, any share consolidation or subdivision, stock dividend, take-over bid, or change of control.

The aforementioned information is intended to be a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, a copy of which will be available at the Meeting. A shareholder may also obtain a copy of the Stock Option Plan by contacting the Company at Suite 830, 1100 Melville Street, Vancouver, BC V6E 4A6.

Management of the Company recommends that shareholders vote in favour of ratifying and approving the Stock Option Plan, and the persons named in the enclosed form of proxy intend to

vote FOR ratification and approval of the Stock Option Plan at the Meeting, unless otherwise directed by the shareholders appointing them.

6. Other Business

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing has been authorized by the Board of Directors of the Company, pursuant to resolutions passed as of March 3, 2017.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company's profile on the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

Financial information concerning the Company is provided in its comparative financial statements and management's discussion and analysis ("**MD&A**") for the Company's most recently completed financial year ended June 30, 2016. Shareholders may contact the Company to request copies of the Company's financial statements and MD&A at its main telephone number at (514) 561-9091 or as follows:

Attention: Mr. Alexander Helm
Fundamental Applications Corp.
Suite 830, 1100 Melville Street
Vancouver, BC V6E 4A6

SCHEDULE "A"

FUNDAMENTAL APPLICATIONS CORP. (the "Company")

Charter of the Audit Committee of the Board of Directors

Adopted by the Board of Directors on September 18, 2014

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

1. Composition

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

2. Meetings

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company's auditors (the "**Auditors**") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (h) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (i) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (j) *MD&A, Annual and Interim Earnings, Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (k) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (l) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (m) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (n) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (o) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (p) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

Complaints

- (q) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (r) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

4. Authority

- (a) *Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

5. Reporting

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and all other material matters dealt with by the Audit Committee.