

This is the form of material change report required under Section 67(1) of the *Securities Act*.

BC FORM 53-901F

Securities Act

MATERIAL CHANGE REPORT UNDER SECTION 67(1) OF THE ACT

Item 1. Reporting Issuer

CYPRESS DEVELOPMENT CORP.
#1950 – 777 Dunsmuir Street
Vancouver, British Columbia
V7Y 1K4

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Item 2. Date of Material Change

June 4, 2002

Item 3. Press Release

The date of the press release issued pursuant to Section 67(1) of the Act with respect to the material change disclosed in this report is **June 4, 2002**. The press release was issued in Vancouver, British Columbia.

Item 4. Summary of Material Change

South Voisey Bay Project

Item 5. Full Description of Material Change

Don Huston, President of Cypress Development Corp., is pleased to announce the following update on the Company's ongoing exploration projects.

SOUTH VOISEY BAY PROJECT:

Work on the South Voisey Bay Project is scheduled to begin June 15, 2002 with the opening of the camp. The operator of the project, Falconbridge Limited, intends to initiate the work program with a line cutting program, followed by a surface UTEM geophysical survey, leading to a diamond drilling program in early July.

Falconbrige Limited can earn a 50% interest in the entire South Voisey Bay Project by spending \$23,000,000 on exploration over a five-year period.

Cypress Development maintains an 11.36% interest in the South Voisey Bay Project via the SVB Nickel Co. Ltd. (SVBN). SVBN'S initial land holdings are in excess of 40,000 hectares.

RED LAKE ONTARIO PROJECT:

A work program is scheduled to begin on the McKenzie Island project in July 2002. The program will consist of establishment of a grid, followed with a geochemical program and in-depth mapping, leading to a diamond drill program. The Company has an option agreement on this property with Skyharbour Developments (SYH) with Skyharbour being able to earn 51% of the project. SYH has committed to a \$200,000 work program on the McKenzie Island, Red Lake property.

Item 6. Reliance on Section 67(2) of the Act

N/A

Item 7. Omitted Information

N/A

Item 8. Senior Officer

The following senior officer of the Company is knowledgeable about the material change disclosed in this report:

Donald C. Huston
Phone: (604) 687-3376

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Executed at Vancouver, British Columbia this 4th day of June, 2002.

“Donald C. Huston”

DONALD C. HUSTON
President