

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

April 15, 2003

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 **April 15, 2003**. The press release was issued in Vancouver, British Columbia.

Item 4. Summary of Material Change

Results received to date from the drilling carried out on its McKenzie Island joint Venture with Cypress, in the Red Lake District.

Item 5. Full Description of Material Change

Donald Huston, president of Skyharbour Resources, wishes to announce results received to date from the drilling carried out on its McKenzie Island Joint Venture with Cypress Development Corp. in the Red Lake District, Northwestern Ontario. Orko Gold has the right to earn a 60% interest in the property by spending \$500,000 in exploration expenses in 2003. The program was designed to test geophysical and geochemical targets as defined from previous Skyharbour fieldwork. The Phase 1 diamond drill program included 8 drill holes located in the MacAndrew geological trend plus 5 additional drill holes located on the NMI zone, which are situated off the north shore of McKenzie Island. The drilling program consisting of 2081.5 meters (6828.3 feet) in 13 holes have now been completed.

Eight of the drill holes tested .5 kilometer of strike length along the MacAndrew trend. The gold values encountered here are generally associated with sheared and altered margins of a quartz diorite body that has intruded the Dome Stock. Numerous anomalous gold values have been encountered in this trend.

Results to date have indicated minor gold values in the system and that the area warrants additional exploration.

Hole:

M03-1 intersected .4 meters of 5.56 grams / ton gold

M03-6 intersected .2 meters of .82 grams / ton gold

M03-12 intersected .5 meters of .65 grams / ton gold

The geological setting is considered to be similar to that hosting the McKenzie Red Lake deposit on the east end of McKenzie Island.

The area off the north shore of McKenzie Island (NMI zone) was drilled with a total of 5 holes testing an area of indicated structural disturbance along the contact between the volcanic formations and sedimentary formations. These holes targeted structural zones interpreted from previous magnetic data. All of the structural zones encountered were confirmed as carbonate shear/breccia zones with associated anomalous gold values.

Hole M03-7 (NMI zone) intersected 1.3 meters of 1.89 grams / ton gold. This intercept was in an altered porphyritic zone flanking carbonate shearing and containing arsenopyrite in narrow quartz-chloritic veinlets.

An overburden-drilling program has also been carried out on a portion of McKenzie Island and to the south in St. Paul's Bay area. The base of till was sampled at 133 sites with 2990 feet of overburden drilling. Numerous elevated gold values were identified in tills from both areas. These anomalous gold values correspond well with the large till sampling program carried out by Skyharbour in 2002. Results to date from both the diamond drill program and the overburden drill program are continuing to be compiled. A Phase 2 program is anticipated to commence in the third quarter of 2003.

Gold assay samples were prepared and assayed by TSL Laboratories of Saskatoon, Saskatchewan, using industry standard fire assay geochemical and/or gravimetric methods. Standard samples were submitted with each sample batch. The McKenzie Island Phase 1 drill program was carried out and supervised by David Busch, PGeo, a qualified person.

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 Huston, President and Director
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 15th day of April, 2003.

“Donald Huston”

Donald Huston
President and Director