

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.
885 West Georgia Street - Suite 1490
P.O. Box 1048
Vancouver, BC V6C 3E8

Telephone: (604) 687-3376
Fax: (604) 687-3119

Item 2. Date of Material Change

March 12, 2004

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 **March 12, 2004**. The press release was issued in Vancouver, British Columbia.

Item 4. Summary of Material Change

Common shares, in connection with the Company's 3rd tranche.

Item 5. Full Description of Material Change

The Company announces that it has issued 25,000 common shares, in connection with the Company's 3rd tranche issuance pursuant to the terms of an Option Agreement dated February 21, 2002. The Company had been granted an option in and to the East Humlin Group Property, which forms part of the Company's jointly held McKenzie Island property, in Red Lake, Ontario. The shares will be subject to a hold period and shall not trade before July 6, 2004.

To find out more about Cypress Development Corp. (TSX: CYP), visit our website at www.cypressdevelopmentcorp.com.

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:

Jim Pettit, 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 12th day of March 2004.

“Jim Pettit”

Jim Pettit
Director