FORM 51-102F3
Material Change Report

Item 1. Name and Address of Company

CYPRESS DEVELOPMENT CORP.
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Vancouver, B.C.
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Telephone: (604) 687-3376
Fax: (604) 687-3119

Item 2. Date of Material Change

November 12, 2004

Item 3. News Release

The date of the press release issued pursuant to Section 7.1 of National Instrument 51-102 with respect to the material change disclosed in this report is **November 12, 2004**. The press release was issued in Vancouver, British Columbia.

Item 4. Summary of Material Change

Cypress Development stakes scorpion claims block, Nevada.

Item 5. Full Description of Material Change

Cypress Development Corp. (TSX.V: CYP) (the Company) announces it has acquired by staking, 26 federal gold lode mining claims in central Mineral County, Nevada. The Scorpion property lies within the widely mineralized Walker Lane structural zone.

The region is noted for its bonanza grade, volcanic hosted precious metal deposits such as the Comstock, Paradise Peak, Goldfield, Aurora, and the Borealis. Active exploration along an east-west trending structural zone that contains the newly staked Scorpion claims block is ongoing by Newmont Mining Corp. at their Whiskey Flat project and by Golden Phoenix Minerals at the Borealis Mine area. The Scorpion property lies within this east - west trending zone of faulting and alteration / mineralization known as the Cerro Duro shear zone, and is situated on strike, between the Borealis Mine and the Camp Douglas Mine areas. Exploration is ongoing in several areas along this shear zone that is host to significant gold production. The exposed and indicated geology at the Scorpion property is consistent with that of the Borealis district, with six distinct gold ore bodies having been discovered and mined here. The size and intensity of the alteration system exhibited on the Scorpion property compares favorably with that at Borealis. Both the existence of the Cerro Duro shear and northeast cross faults are positively identified at Scorpion.

Cypress Development is of the opinion that gold mineralization potential exists in the numerous quartz vein swarms located on the Scorpion claims. The Scorpion property has returned surface gold values of up to 500 ppm from the quartz-alunite altered andesite. The gold values are accompanied by moderately anomalous arsenic and molybdenum. The geologic setting and data at the Scorpion property indicate a high potential for a Borealis style gold deposit within a large alteration envelope.

The Company is now in the process of completing a general mapping and surface sampling program on its Scorpion property. The Company is also preparing a budget and a further detailed work program.

As well, Cypress Development announced on November 3, 2004 that the Company will begin a 2,500 foot drill program on its 80% owned McKenzie Island gold project in Red Lake, northwestern Ontario. The start up of this drill program is anticipated for the beginning of January 2005.

Cypress Development Corp. is a diversified precious and base metal exploration and development company with 2 projects in Nevada, U.S.A. and a project in Red Lake, Ontario, Canada. The Company also holds an 11.4% interest in a company called South Voisey Bay Nickel Co. Ltd.

Item 6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

Item 7. **Omitted Information**

N/A

Item 8. **Executive Officer**

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

Don Huston, President
Phone: (604) 687-3376

Item 9. **Date of Report**

November 12, 2004