

FORM 51-102F3
Material Change Report

Item 1. **Name and Address of Company**

CYPRESS DEVELOPMENT CORP.
Suite 1490 – 885 West Georgia Street,
Vancouver, B.C.
V6C 3E8

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

Item 2. **Date of Material Change**

January 13, 2005

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 **January 13, 2005**. The press release was issued in Vancouver, British Columbia.

Item 4. **Summary of Material Change**

Incentive stock options granted 30 more claims acquired in Nevada.

Item 5. **Full Description of Material Change**

Cypress Development Corp. (the “Company”) announces that pursuant to its stock option plan, the Company has granted incentive stock options to its various directors, officers and management company employees to purchase up to an aggregate of 748,104 common shares in the capital stock of the Company, exercisable for a period of two years, at a price of \$0.10 per share. The shareholders approved the Company’s stock option plan at the Annual and Special General Meeting of the Company held on May 26, 2004. These options are subject to a four-month hold period.

Cypress Development Corp. also announces that it has completed the acquisition of 30 mineral lode claims in the Slumbering Hills area of Humboldt County, northern Nevada. The Awake 1-30 claims are situated approximately 5 miles to the south of the Sleeper gold mine, which is known as a prolific past gold producer at the north west extension of the Battle Mountain-Cortez Geological trend. The Company has purchased 100% ownership in the Awake claims, subject to a single cash payment, a commitment of a small drill program (reverse

circulation) (2000 feet) and a 2% net smelter return (NSR) in favor of the vendor. Weather permitting, the Company intends to carry out an initial geological mapping and sampling program in the first quarter of 2005 on its Awake claims.

Cypress Development Corp. is a diversified precious and base metal exploration and development company with a gold property in Red Lake, Ontario Canada, and 2 gold properties and a zinc property in Nevada, U.S.A. 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:

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

Item 9. Date of Report

January 13, 2005