

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

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Item 2. Date of Material Change

November 3, 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 **November 3, 2005**. The press release was issued in Vancouver, British Columbia.

Item 4. Summary of Material Change

Exploration program begins on McKenzie Island gold project Red Lake, Ontario.

Item 5. Full Description of Material Change

Cypress Development Corp. (Cypress) announces that it now mobilizing an exploration crew on to its 80% owned McKenzie Island property located in the heart of the Red Lake gold camp, Northwestern Ontario. The property is adjoined on its east boundary by the Southern Star / Exall Resources Gold Eagle property, who are currently proceeding with a successful major drill program. Cypress will establish a permanent grid (50-metre line spacing) and then follow up immediately with an Induced Polarization (IP) geophysical survey and a ground magnetic survey.

The Company has completed detailed programs of till sampling with follow up prospecting and soil sampling (MMI) in areas of elevated gold-in-tills with the objective to identify settings on the property that could potentially host significant gold deposits. Several of the till sites along the south shore of Cypress' McKenzie Island property are shown to contain elevated gold counts from the assaying (site MO18 - 2460 ppb/au, MO22 - 3023ppb/au, and MO3 - 6575 ppb/au).

Map:

<http://www.cypressdevelopmentcorp.com/i/maps/CYP-McKenzie.gif>

Exploration to date by Cypress has identified 4 main target settings that warrant detailed additional work. The establishment of a grid and detailed geophysics at this time is being done on the McAndrew East Zone and is intended to further define prioritized diamond

drill targets. The Company intends to commence its winter 2005 / 2006 drill program on its McKenzie Island property as soon as freeze up is complete.

A total of 19.2 million ounces of gold have been produced from 13 mines in the Red Lake area. Gold production has been continuous since 1930 when the Howey Gold Mine entered production. Current gold production is around 700,000 ounces per year from the Campbell mine of Placer Dome and the Red Lake mine of Goldcorp.

David J. Busch, B.A., B.Sc., PGeo. is the qualified person, under the meaning of National Instrument 43-101, and has reviewed the data in this News Release.

Cypress Development Corp. is a Canadian precious and base metal exploration company developing a gold property in Red Lake, Ontario and a gold-silver property in Stewart, BC, Canada, and 2 gold properties and a zinc property in Nevada, U.S.A.

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

November 3, 2005