

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

December 08 2006

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 **December 08, 2006**. The press release was issued in Vancouver, British Columbia.

Item 4. Summary of Material Change

Flow-Through Private Placement Closes

Item 5. Full Description of Material Change

Vancouver, BC - Cypress Development Corp. (TSX.V: CYP) (the Company) announces that it has issued 4,000,000 flow-through Units at a price of \$0.20 per unit pursuant to a private placement announced October 20 and 24th, 2006. Each flow-through unit consists of one flow-through common share and one share purchase warrant entitling the holder to purchase one non flow-through common share at a price of \$0.25 per share until November 29, 2007.

As a finder's fee in connection with the transaction, the Company has issued a further 247,500 units, each consisting of one common share and one share purchase warrant, having the same terms and conditions as the warrants referred to in the foregoing.

The flow-through common shares and warrants issued under the private placement and any shares issued pursuant to the exercise of shares purchase warrants, are subject to a four month hold period under applicable securities laws, and imposed by the TSX Venture Exchange, expiring March 31, 2007.

The following pros and insiders participated in the private placement Ted Dusyk (P), Donald C. Huston (I).

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

December 08, 2006