

FORM 51-102F3
Material Change Report

Item 1. Name and Address of Company

CYPRESS DEVELOPMENT CORP.
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Item 2. Date of Material Change

February 16, 2012

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 **February 16, 2012**. The press release was issued in Vancouver, British Columbia.

Item 4. Summary of Material Change

Cypress samples 2100 g/t Ag and 3.4 g/t Au and completes Mag Survey on Twenty-One Silver-Gold Project, Nevada.

Item 5. Full Description of Material Change

Vancouver, BC - Cypress Development Corp. (TSX-V: CYP) announces the completion of a surface magnetometer survey and the assay results of surface samples collected on its Twenty-One silver-gold property located in Mineral County, west central Nevada.

Twenty One Silver-Gold project location map:

<http://www.cypressdevelopmentcorp.com/i/maps/21/Twenty-One-Silver-Gold-Location-Map.jpg>

The property is centered on a parallel series of mineralized quartz veins and veinlets which cut a silicified and brecciated cap rock. The assay results show that quartz veins contain very high grade precious metal and base metal mineralization. The veins present one of four distinct precious and base metal target types being investigated at the property.

Highlights:

- Notable Surface sampling of quartz vein material from historic workings returned silver assay values from 203 to 2100 g/t silver (67.7 oz/t)
- The high silver values are accompanied by gold values from 0.62 g/t silver to 3.4 g/t gold
- Base metal values in the vein samples include values +50,000 ppm lead and 1.35% zinc

- Discovery of a new area of mineralized outcrop has been made; outcropping, iron and manganese oxide stained limestone located over 750 metres NNW of the vein area returned 17 g/t silver along with strong lead, zinc and manganese values
- 34.5 line kilometres of ground magnetic data was collected and is being processed
- Drill program to commence in April

Targets identified by the completed surface sampling and outcrop mapping include high grade veins and the potential for carbonate replacement and/or skarn style mineralization in Triassic age limestone units known to occur beneath the breccia cap. A fourth target type at the Twenty-One Project is the potential for intrusive hosted mineralization at depth beneath the veins. Bismuth, copper, molybdenum and tungsten anomalies in the assay results strongly suggest a potentially mineralized intrusion underlies the property.

The property covers the contiguous ENE extension of silver and gold mineralization mined at the Mindora deposit. The Mindora deposit is reported to have over 1 million ounces of silver and gold based on shallow drilling done in the 1980's. The Mindora deposit is based on drilling done in the 1980's no drilling has ever occurred on the Twenty-One property.

Twenty One Silver-Gold Project mine trend map:

<http://www.cypressdevelopmentcorp.com/i/maps/21/Twenty-One-Silver-Gold-Production-Trend.jpg>

Notable gold and silver assay results for the surface samples collected at the Twenty-One property in January are presented below. Very high grade silver assays (up to 2100 g/t Ag), with accompanying gram to multi-gram level gold values (up to 3.4 g/t Au), are from surface samples of exposed quartz veins and from dump material in an area containing a series of historic pits and trenches in the south central portion of the property. All samples were assayed by ALS Chemex in Sparks, Nevada.

Significant Gold and Silver Surface Sample Results from Twenty-One Silver-Gold Project:

SAMPLE ID	Au (g/t)	Ag (g/t)
MAGR-17	0.02	17
MAGR-32	1.08	239
MAGR-33	0.62	203
MAGR-34	1.68	515
MAGR-35	1.65	1030
MAGR-37	3.40	2100
MAGR-38	1.60	662

These vein exposures and historic dumps are the location of the highest grade mineralization known at surface on the Twenty-One property. It is important to note however that other outcrop and sub-crop areas of mineralization at surface occur. Sample MAGR-17 was collected from outcropping, iron and manganese oxide stained limestone located over 750 metres NNW of the original vein area. This sample contains 17 g/t silver and has the high lead and zinc signature that occurs in the vein area. In addition the sample contains very high grade manganese which is a well-known surface indicator of underlying carbonate replacement ore system. This represents a new discovery of surface mineralization that is not located along the same structural zones as the veins.

Several metre-scale blocks of mineralized jasperoid previously reported occur in the same area as sample MAGR-17. This evidence of mineralization well away from the initial high grade vein zone

discovery is very encouraging and suggests the potential for a larger mineralized system under the thin gravel cover on the property.

The overall geologic setting and known mineralization along this underexplored mineral trend bares close resemblance to the setting of the very productive, Triassic age, intrusive and carbonate hosted ore bodies of the Coeur Rochester-Relief Canyon district located east of Lovelock, Nevada.

The magnetic data collected in January is being processed by a Reno-based geophysicist. The data will be used to identify additional targets, particularly in the pediment-covered northern portion of the property. Initial drilling of the selected targets on the property is planned for April. Permitting has been done but modification of the permit may be necessary to include potential additional targets which could come from examination of the collected magnetic data.

The Twenty-One Silver-Gold Project is located in Mineral County, approximately 100 miles southeast of Carson City, Nevada. The property sits 3 miles south of US Highway 95 and access to the property is by dirt track roads. The Twenty-One Silver-Gold Project consists of two blocks of lode claims centered on an area of outcropping. High voltage power lines run along Highway 95 providing excellent infrastructure to the project area.

Surface Sample Geochemical Results from Twenty-One Silver-Gold Project:

SAMPLE ID	Au ppm	Ag ppm	As ppm	Bi ppm	Cu ppm	Mn ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
MAGR-2	0.006	<1	200	<10	76	30	14	30	<10	<10
MAGR-8	<0.005	7	1280	<10	461	1470	<5	20	120	70
MAGR-9	<0.005	<1	3770	<10	73	280	13	30	10	240
MAGR-10	<0.005	<1	4520	<10	151	520	9	60	<10	760
MAGR-17	0.021	17	200	<10	25	10200	<5	4960	250	2500
MAGR-20	0.019	<1	40	<10	55	50	<5	30	<10	10
MAGR-21	0.098	<1	60	<10	40	100	10	60	<10	40
MAGR-27	0.015	<1	160	<10	193	1050	20	50	10	20
MAGR-29	1.49	673	3670	10	11	80	33	45300	190	1410
MAGR-30	<0.005	<1	30	<10	<5	270	<5	70	<10	30
MAGR-31	<0.005	<1	60	<10	<5	450	<5	130	<10	100
MAGR-32	1.08	239	1180	<10	36	3410	11	6600	60	1690
MAGR-33	0.623	203	820	<10	5	1280	35	8990	50	450
MAGR-34	1.68	515	1340	<10	37	230	47	22000	130	2000
MAGR-35	1.65	1030	2360	20	28	160	42	>50000	340	1820
MAGR-36	<0.005	2	1830	<10	6	150	87	560	490	520
MAGR-37	3.40	2100	5890	10	214	490	226	>50000	570	13500
MAGR-38	1.60	662	520	<10	7	90	<5	10500	70	890
MAGR-39	0.011	6	20	<10	158	570	<5	300	<10	220

Notes * Gaps in the samples sequence are either from non-anomalous samples or are from samples collected outside the current Cypress land position.

* g/t = grams per metric tonne

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

February 16, 2012