This is a form of a material change report required under Section 75(2) of the *Securities Act* (Ontario).

FORM 27
Securities Act

This is a form of a material change report required under Section 85(1) of the *Securities Act* (British Columbia).

FORM 53-901.F
Securities Act

MATERIAL CHANGE REPORT

Item 1: Reporting Issuer

ARCUS DEVELEOPMENT GROUP INC. ("Arcus")
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Item 2: Date of Material Change

December 9, 2009.

Item 3: Press Release

A news release was issued in Vancouver, British Columbia for distribution through Marketwire on December 9, 2009.

Item 4: Summary of Material Change

Announcement of exploration results from 2009 work programs on Yukon properties.

Item 5: Full Description of Material Change

Arcus Development Group Inc. announces that it has identified multiple geochemical anomalies on its Dawson Gold project properties. The properties consist of four separate claim blocks held by Arcus under option from ATAC Resources Ltd. and cover an area of approximately 77 square kilometres located 100 kilometres south of Dawson City, Yukon.

The 2009 work program completed by Arcus consisted of deep auger soil sampling, prospecting and geological mapping on each of the Green Gulch, Touleary, Dan Man and Shamrock claim blocks. In-soil gold anomalies were identified on the Green Gulch and Touleary properties and will be the focus of mechanical trenching and in-fill deep auger soil sampling programs in the spring of 2010. Maps showing the location of the individual claim blocks and the various anomalies described below can be viewed on the Arcus website (www.arcusdevelopmentgroup.com).

A summary of the results from each of the Green Gulch, Touleary and Shamrock properties is presented below. Results from the work on the Dan Man property will be announced as soon as Arcus has completed its interpretation of the 2009 data.

1. Green Gulch

The Green Gulch property lies immediately south of and is contiguous with Underworld Resources Inc.'s White Gold property. A total of 2,370 deep auger soil samples and 29 rock samples were collected during the 2009 work program. Gold-in-soil values for the property range from less than 10 to 251 ppb. Three soil samples from the northwestern portion of the property returned gold-in-soil values ranging from 128 to 251 ppb Au.

"Based on the geology in Underworld's McKinnon trenches just across the northern claim boundary and the presence of a fine grained mafic metavolcanic unit in road cuts across the top of our claim block, we believed that the northwest portion of the Green Gulch property would produce some anomalous gold-in-soil values", stated Eric Tweedie, the Arcus VP of Exploration. "Knowing the geology immediately to the north and the difficult sampling conditions, we view these gold-in-soil anomalies as significant developments."

2. Touleary Property

The Touleary property is located immediately adjacent to Underworld's Black Fox property, in the headwaters of three creeks that host historic and active placer gold operations. A total of 2,166 deep auger soil samples and 65 rock samples were collected during the 2009 work program. The widely spaced soil geochemical survey covered approximately 66% of the property and identified one main gold-in-soil anomaly (the "Lynx Anomaly") and numerous smaller and weaker anomalies.

The Lynx Anomaly is characterized by elevated gold values within a 1600 by 150 m, northeasterly elongate zone which lies along strike from mineralization and soil geochemical anomalies on the Black Fox claims. Samples within the Lynx Anomaly typically returned values between 20 and 50 ppb gold, with a peak value of 304 ppb gold. There is no apparent correlation between arsenic or antimony and gold in the area.

Prospecting at Touleary was done before soil results were available and was limited to ridge tops and pre-existing road cuts. An angular piece of limonitic quartz vein float was identified in a road cut 300 m east of the Lynx Anomaly and a sample of this vein material returned an assay value of 2.80 g/t gold (the "Bobcat Showing"). Fragments of banded limonite taken from another road cut approximately 500 m southwest of the Lynx Anomaly returned an assay value of 1.59 g/t gold (the "Panther Showing"). Soil samples collected in the vicinity of this sample yielded only background values for gold and other pathfinder elements.

3. Dan Man Property

The Dan Man property lies immediately north of and is adjacent to Kaminak Gold Corporation's Coffee claims. A total of 617 deep auger soil samples and 46 rock samples were collected on the Dan Man claims during the 2009 program. For the most part, only low density soil sampling was completed. However, two tightly spaced soil grids were sampled over areas where results from a Niton portable XRF analyzer indicated elevated arsenic values. Results from the 2009 program will be announced as soon as Arcus has completed its data compilation and interpretation.

4. Shamrock Property

The 2009 field program for the Shamrock property comprised reconnaissance-scale soil sampling and prospecting. A total of 141 deep auger soil samples and 18 rock samples were collected for assay.

Results from soil geochemistry were generally low. However, two spot anomalies were identified which returned 32 ppb gold and 242 ppm arsenic respectively. No rock samples were taken in the vicinity of the anomalous soil samples.

2010 Work Program

The initial 2010 work on the Green Gulch and Touleary properties will commence as early in the spring as field conditions in the Yukon permit. Contingent upon the results from the early trenching and in-fill auger sampling programs, Arcus intends to drill test potential targets as the second phase of the 2010 work program. Additional deep auger soil sampling will be completed on the Shamrock property as part of the second phase program in 2010.

The technical information in this news release has been reviewed by William A. Wengzynowski, P.Eng., a qualified person for the purposes of National Instrument 43-101.

Multi-element determinations for soil and rock samples were carried out at ALS Chemex in North Vancouver, B.C. Soil samples were dried and sieved to -80 mesh. The fine fraction was then analyzed for gold using fire assay followed by atomic absorption (AA) finish and for 34 other elements using a nitric acid-aqua regia digestion and ICP analysis. Rock samples were dried, fine crushed to better than 70% passing -2 mm and then a 250 g split was pulverized to better that 85% passing 75 micron. The fine fraction was analyzed for gold and 34 other elements using the same procedures as were used for the soil samples.

Item 6: Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable

Item 7: Omitted Information

Not applicable

Item 8: Senior Officers

The Senior Officer of Arcus who is knowledgeable about the material change and the report is Ian J. Talbot, President.

Item 9: Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated this 9th day of December, 2009.

ARCUS DEVELOPMENT GROUP INC.

"Ian J. Talbot"

By:

Ian J. Talbot
President