

MATERIAL CHANGE REPORT

Item 1: Reporting Issuer

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Item 2: Date of Material Change

January 5, 2010.

Item 3: Press Release

A news release was issued in Vancouver, British Columbia for distribution through Marketwire on January 5, 2010.

Item 4: Summary of Material Change

Announcement of exploration results from 2009 work programs on Dan Man property, Yukon Territory.

Item 5: Full Description of Material Change

Arcus Development Group Inc. (ADG: TSX-V) announces that it has completed its analysis of the results from 2009 work at the Dan Man property located 100 kilometres south of Dawson City, Yukon. The Dan Man property consists of 109 mineral claims, covers an area of approximately 21 square kilometres and is one of four separate claim blocks held by Arcus under option from ATAC Resources Ltd. (ATC: TSX-V).

The 2009 work program consisted of deep auger soil sampling, prospecting and geological mapping. Two in-soil gold anomalies were identified on the Dan Man property 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 property and the anomalies described below can be viewed on the Arcus website (www.arcusdevelopmentgroup.com).

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 more tightly spaced soil grids were sampled over areas where results from a Niton portable XRF analyzer indicated elevated arsenic values. Both grids yielded anomalous gold-in-soil results.

The Kambaa Anomaly is the larger and stronger of the two soil anomalies and consists of a 600 m long by a 200 m wide zone of anomalous gold, arsenic and antimony-in-soil response. Gold values range from 20 to 132 ppb. The Kwazulu Anomaly is a 400 m by 100 m, northeast-trending zone with coincident gold and arsenic-in-soil values and weakly anomalous antimony-in-soil values. Gold values range from 20 to 74 ppb and the anomaly is open to the east.

The most anomalous rock sample from the Dan Man property was an altered quartz-mica schist with limonitic pits and relict pyrite mineralization that assayed 1.69 g/t gold. This sample was collected from a large, locally weathering talus slope roughly half way between the Kwazulu and Kambaa anomalies. The bedrock source of this sample has not yet been identified.

Initial 2010 work on the Dan Man, Green Gulch and Touleary properties will commence as early in the spring as field conditions in the Yukon permit. Mechanical trenching and in-fill deep auger soil sampling programs will be carried out on all three properties. Results from 2009 work on the Green Gulch and Touleary properties were previously announced (see December 9, 2009 news release). Contingent upon the results from the initial 2010 trenching and in-fill auger sampling programs, Arcus intends to drill test potential targets as the second phase of the 2010 work program.

The technical information in this news release has been reviewed by William A. Wengzynowski, P.Eng., a qualified person for the purpose 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 than 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 5th day of January, 2010.

ARCUS DEVELOPMENT GROUP INC.

"Ian J. Talbot"

By:

Ian J. Talbot
President