

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

ARCUS DEVELOPMENT GROUP INC. ("Arcus")
1016 – 510 West Hastings Street
Vancouver, British Columbia V6B 1L8
Telephone: (604) 687-2522

Item 2: Date of Material Change

March 28, 2012

Item 3: Press Release

A news release was issued in Vancouver, British Columbia for distribution through Marketwire on March 28, 2012.

Item 4: Summary of Material Change

Corporate update announcing: (i) the exercise of a property option; (ii) a proposed \$1.5 million private placement; and (iii) a change to the Arcus board of directors.

Item 5: Full Description of Material Change

(i) Dawson Gold Option

Arcus has fully exercised its property option with ATAC Resources Ltd. ("ATAC") and acquired a 50% interest in the Dawson Gold project, located in the White Gold District of the Yukon Territory. In exercising the option, Arcus has: (i) incurred \$3.5 million in exploration expenditures in the project area; (ii) issued one million shares to ATAC; and (iii) made total cash payments of \$185,000 to ATAC. Future exploration will be carried out as a joint venture between Arcus and ATAC, with Arcus acting as the joint venture operator.

(ii) Private Placement

Subject to TSX Venture Exchange acceptance, Arcus will carry out a non-brokered unit offering. Up to 2 million units at a price of \$0.75 per unit will be sold for gross proceeds of \$1.5 million. Each unit will consist of four (4) flow-through shares, one (1) non-flow-through share and one (1) share purchase warrant. Each of the five (5) shares comprising a unit will be issued at a price of \$0.15. Each warrant will entitle the holder to purchase one (1) additional Arcus share at a price of \$0.25 at any time within one (1) year of the closing of this unit offering.

The flow-through proceeds from the unit offering will be used to fund the 2012 drill program at the Touleary property. The non-flow-through proceeds from the offering and from the exercise of warrants will be used as general working capital. Arcus may pay a finder's fee on the sale of a portion of the unit offering.

(iii) Board of Directors

The Arcus Annual General Meeting was held on March 27, 2012. All incumbent directors were re-elected with the exception of Eric B. Tweedie. Mr. Tweedie did not run for re-election. As a founding member of Arcus, the board would like to thank Mr. Tweedie for his contributions over the past five years and wishes him well as he embarks on his retirement.

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: Executive Officer

Ian J. Talbot: President
Telephone: 604.687.2522.

Item 9: Date of Report

March 29, 2012.