CYPRESS DEVELOPMENT CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

NINE MONTHS ENDED – SEPTEMBER 30, 2017

This Management Discussion and Analysis of Cypress Development Corp. (the "Company") provides an analysis of the Company's financial results for the period ended September 30, 2017. The following information should be read in conjunction with the accompanying unaudited condensed consolidated interim financial statements and notes to the unaudited condensed consolidated interim financial statements.

The Company reports in accordance with International Financial Reporting Standards ("IFRS") and the following disclosure, and unaudited condensed consolidated interim financial statements, are presented in accordance with IFRS. These statements are filed with the relevant regulatory authorities in Canada. All monetary amounts are expressed in Canadian dollars, unless otherwise specified.

Forward Looking Information and Date of Report November 29, 2017

This MD&A contains certain forward-looking information. All information, other than historical facts included herein, including without limitation data regarding potential mineralization, exploration results and future plans and objectives of Cypress Development Corp., is forward-looking information that involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate and future events and actual results could differ materially from those anticipated in the forward-looking information.

The forward-looking information is only provided as of the date of this MD&A, November 29, 2017 (the "Report Date").

Cypress Development Re-Elects Five Directors at AGM

Cypress Development Corp. is pleased to announce that it held its annual general meeting on July 10, 2017. The Company reports that Donald Huston, James Pettit, Donald Myers, Amanda Chow and Robert Marvin were re-elected directors of the Company. Shareholders also re-appointed Davidson & Company, Chartered Accountants, as auditors and approved the renewal of the Company's Incentive Stock Option Plan.

Cypress Development Appoints Bill Willoughby CEO,

The Company announced on September 13, 2017 that Bill Willoughby, PhD, PE, has joined Cypress' Board of Directors and will serve as Chief Executive Officer for the Company.

Dr. Willoughby is a mining engineer with 38 years of experience in all aspects of natural resources development. Since 2014, he has been principal and owner of consulting firm Willoughby & Associates, PLLC. Prior to that, he was President and COO of International Enexco Ltd., which was acquired by Denison Mines in 2014. He previously held various positions with Teck (Cominco). Dr. Willoughby has been a Professional Engineer since 1985 and received his Doctorate in Mining Engineering & Metallurgy from the University of Idaho in 1989.

Don Huston has been appointed Chairman of the Board of Cypress Development and will continue with his role as President of the Company.

Overall Performance

Nature of Business and Overall Performance

Cypress Development Corp. is a public company listed on the TSX Venture Exchange under the symbol "CYP". The Company is an exploration stage company that is engaged principally in acquisition, exploration and development of its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of amounts shown for the mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration of the property, and upon future profitable production.

Exploration and Evaluation Assets

Developments on the properties are as follows:

As at September 30, 2017 the Company has capitalized total exploration and evaluation assets of $834,901 on its four mineral properties, all located in the state of Nevada, USA. Of the total amount, $768,687 relates to deferred exploration expenditures.

McKenzie Island Claims, Ontario, Canada

The Company entered into a mineral property purchase agreement on August 8, 2016 to sell its 100% right, title and interest in the property including the vendor's royalty for the sum of $35,000. (received)

Glory Lithium Project, Clayton Valley, Nevada, USA

The Company made cash payments of $50,689 (US$37,500) and issued 600,000 shares of the Company valued at $45,000 with respect to the option agreement. As at September 30, 2017, the Company incurred $95,689 in acquisition costs and $198,682 in exploration expenditures and received $218,912 in option payments.

Two Additional Claims Added to Clayton Valley Land Position

The Company has acquired and added, via staking, 2 additional claims to its Clayton Valley land position. The two mineral claims are located in the south west corner and add an additional 40 acres to the Cypress land package. The two claims titled "Angel" 12 and 13 are located to the immediate southeast of Pure Energy's CV-2 lithium brine well. The two claims are ideally located as they abut the defined north resource area of Pure Energy Minerals and are considered highly prospective for lithium brines in existing subsurface aquifers, known to exist below the mineralized claystone.

Lithium Leachability Study

Cypress has received leach test results of lithium extraction from the surface claystones at the Clayton Valley Project using a dilute acid method. The results show that 95% of the lithium has also been recovered using a dilute acid method, a much less aggressive acid solution compared to the industry standard, caustic, four acid method.

Highlights:

1. 47 samples selected for further study average 1334 ppm Li using 4-acid leach
2. The 47 selected samples average 1276 ppm Li using dilute acid leach
3. The weak acid method recovered 95% of the lithium found by the 4 acid method
4. These data indicate that a readily soluble mineral form of lithium has been found

5. Further work using a pure water leach is ongoing
6. Selected samples cover a 2 kilometer strike length of exposed lithium mineralization

A four-acid digestion assay method uses an extremely corrosive combination of HCl (hydrochloric acid), HNO3 (nitric acid), HF (hydrofluoric acid) and HClO4 (perchloric acid). Because hydrofluoric acid dissolves silicate minerals, these digestions are often referred to as 'near-total digestions'. A four acid assay will work to extract lithium contained in any known lithium bearing mineral, including pegmatite sourced spodumene hosted lithium and lithium contained within silicate clay minerals such as hectorite (a lithium bearing smectite clay mineral).

In contrast, the Weak Aqua Regia digestion uses a much more dilute mixture of one part HNO3 (nitric acid), one part HCl (hydrochloric acid) and one part water. A much less aggressive acid solution, Weak Aqua Regia will not extract lithium from silicate minerals including spodumene, lithiophyllite and lepidolite. However, Cypress is recovering an average of 95% Li from the non silicate minerals in the claystones.

An average of 95% of the lithium assayed with the four acid method was recovered using the Weak Aqua Regia assay method. This result strongly suggests that the lithium mineralization is contained within a readily dissolved, non-silicate mineral or minerals. Given the data in the table above, potential mineralogy of the lithium mineralization incudes a complex lithium oxide, a lithium bearing carbonate or complex lithium bearing salt minerals within the calcareous volcaniclastic host rock. Importantly, while the identity of the exact lithium minerals present remains to be determined, the data strongly suggests that the lithium is not contained within refractory, hard to process, silicate minerals.

Drilling Results

On November 16, 2016, the Company announced that it has received results from a property wide grid sampling program.

Highlights:

- 239 Glory samples were collected on a systematic 100m X 100m grid
- 133 Glory samples assayed greater than 900 ppm Li
- New Glory zone discovered with a high grade of 3830 ppm Li
- Several open zones of 1400 to >2000 ppm Li have been identified
- 3 km long by 1 ½ km wide zone of strong lithium mineralization is present at surface on the Glory property
- Data supports that the lithium is from uplifted and exposed lake bed sediments
- Grid sample results definitively confirm earlier samples reported by Cypress

Cypress Development Cancels Glory Property Option Agreement with Pure Energy

Cypress Development Corp. announced on August 23, 2017 that it has cancelled the Glory Property Option Agreement, dated August 22, 2016, with Pure Energy Minerals for failure, by Pure Energy, to spend the required property exploration expenditures.

Pure Energy made a number of important contributions to the optioned property during late 2016, including the planning and completion of a 100 meter by 100 meter surface sampling grid which resulted in the discovery of high grade lithium mineralized zones along Cypress' Glory-Dean boundary area. This sampling program was the first work that clearly showed that a large trend of outcropping lithium mineralization was present at surface right across the Glory lands. Subsequent surface and drill exploration by Cypress on the adjoining Dean Project has shown that this trend extends continuously right across Cypress' Dean claims for a total strike length in excess of 7 kilometres.

Bureau of Land Management and Esmeralda County claim maintenance fees have been paid by Pure Energy through to September 1, 2018 on the Glory claims.

Dean Claims, Clayton Valley, Nevada, USA

On September 8th, 2016 Cypress entered into an agreement to acquire a 100% interest in a 2nd Clayton Valley lithium project. The 2,700 acre "Dean" Lithium Brine/Clay Project is located immediately adjacent to the Albemarle's Silver Peak Mine on the west boundary, Pure Energy Minerals project on its southwest boundary and Cypress' existing Clayton Valley Project on its southern boundary.

Terms of the Option Agreement to purchase a 100% interest in the claims are as follow:

Year 1. $30,000 USD cash and 250,000 shares of Cypress
(paid CDN$39,564 & issued 250,000 shares valued at $35,000)
Year 2. $30,000 USD cash and 250,000 shares of Cypress
(paid CDN$36,477 & issued 250,000 shares valued at $26,250)
Year 3. $30,000 USD cash and 250,000 shares of Cypress
Year 4. $50,000 USD cash and 300,000 shares of Cypress

The Optionor will retain an NSR (net smelter return) of 3% with Cypress having the right to purchase 2/3 (66.6%) of the NSR for $1,000,000. There is no work commitment attached to this Option Agreement.

As at September 30, 2017 the Company has incurred $137,291 in acquisition costs ($76,041 in cash and 500,000 shares valued at $61,250) and $284,975 in exploration expenditures.

Highlights:

- Cypress completes solubility studies on 48 previously assayed Dean claystone samples;
- A deionized water leach process returns 36.15% Li recovery on average;
- A modified dilute acid leach process returns 94.72% Li recovery on average;
- Permit application made to BLM, Nevada for a series of drill holes into new Frontera Verda Zone;
- Cypress anticipates drilling to begin at the end of January.

September and October 2016 surface sampling on the Dean Project has revealed a 2 square kilometer area of strong lithium mineralization up to 3,700 ppm Li (0.82% Li20 equivalent) in calcareous, volcanoclastic, claystones, mudstones and volcanic ash units. The mineralization is essentially identical to the acreage being jointly explored by Cypress and Pure Energy Minerals on Cypress' Glory Project immediately to the south.

Cypress has now completed solubility studies with 48 previously assayed claystone samples from the Dean property. A modified dilute Aqua Regia (dilute acid) process (ME-MS41W) and a deionized water leach process (ME-MS03) has been carried out by ALS/Chemex lab in Reno, Nevada in order to provide Cypress with further data on the potential feasibility of a large-scale leach extraction method of lithium from the abundant mineralized claystone.

Dean Lithium Solubility Study Assay Results:

Sample	***ME-ICP61 Li ppm**	***ME-MS41W Li ppm**	***ME-MS03 Li ppm**	***% Li Recovery with Dilute Aqua Regia***	***% LiRecovery with Deionized Water***
Dean-1	1010	1010	105	100.00%	10.40%
Dean-2	1770	1720	1100	97.18%	62.15%
Dean-3	1480	1500	302	101.35%	20.41%
Dean-4	1250	1240	122	99.20%	9.76%

Dean-5	930	910	164	97.85%	17.63%
Dean-6	1130	1070	124	94.69%	10.97%
Dean-7	1560	1520	832	97.44%	53.33%
Dean-8	1720	1640	854	95.35%	49.65%
Dean-9	2090	1990	1100	95.22%	52.63%
Dean-10	830	790	195	95.18%	23.49%
Dean-22	790	750	239	94.94%	30.25%
Dean-24	2940	2780	1100	94.56%	37.41%
Dean-25	950	880	528	92.63%	55.58%
Dean-26	640	560	188	87.50%	29.38%
Dean-27	900	880	125	97.78%	13.83%
Dean-28	1350	1340	247	99.26%	18.30%
Dean-29	960	920	190	95.83%	19.74%
Dean-30	510	480	103	94.12%	20.20%
Dean-31	350	348	111	99.43%	31.71%
Dean-32	960	940	70	97.92%	7.28%
Dean-33	1440	1420	279	98.61%	19.38%
Dean-41	1100	1020	826	92.73%	75.09%
Dean-42	1030	970	634	94.17%	61.55%
Dean-43	1000	920	237	92.00%	23.70%
Dean-44	1890	1840	590	97.35%	31.22%
Dean-45	360	298	54	82.78%	15.11%
Dean-46	650	590	510	90.77%	78.46%
Dean-47	910	850	487	93.41%	53.52%
Dean-48	670	550	229	82.09%	34.18%
Dean-49	1100	1040	104	94.55%	9.41%
Dean-50	1250	1120	865	89.60%	69.20%
Dean-51	1020	960	155	94.12%	15.15%
Dean-52	1380	1400	1100	101.45%	79.71%
Dean-53	1200	1140	978	95.00%	81.50%
RKCV-00810	1480	1390	553	93.92%	37.36%
RKCV-00811	1320	1270	273	96.21%	20.68%
RKCV-00812	1750	1820	1100	104.00%	62.86%
RKCV-00813	2130	2040	1100	95.77%	51.64%
RKCV-00814	1000	980	298	98.00%	29.80%
RKCV-00815	390	369	108.5	94.62%	27.82%
RKCV-00816	780	690	280	88.46%	35.90%
RKCV-00817	780	730	278	93.59%	35.64%
RKCV-00818	1640	1560	790	95.12%	48.17%
RKCV-00819	1450	1400	618	96.55%	42.62%
RKCV-00820	800	760	279	95.00%	34.88%
RKCV-00821	1150	1050	567	91.30%	49.30%
RKCV-00822	810	780	157	96.30%	19.38%

RKCV-00823	570	500	196	87.72%	34.39%
				94.72% AV	36.15% AV

* ME-ICP61 is a 4 acid digestion that will extract lithium from any mineral including silicates
* ME-MS41W is a highly dilute version of Aqua Regia that will dissolve carbonate minerals
* ME-MS03 is a leach method that uses deionized water to extract lithium in the sample
* Li = Lithium Metal
* ppm = parts per million
* AV = Average

Cypress Drills 210 feet of 1140 ppm Lithium at Dean Project in Clayton Valley, Nevada

The Company reported on May 15, 2017 that a Phase 1 core drilling program has now been completed on the Company's 100% held Dean Lithium Claystone Project in Clayton Valley, Nevada. A nine hole exploratory core drill program was carried out under the supervision of Cypress VP of Exploration Robert Marvin, PGeo. Cypress is pleased to publish assay results from the first 5 holes at this time.

Highlights:

- All mineralized intercepts at Dean start at near surface;
- Average mineralized thickness is greater than 220 feet;
- The thick, tabular zone of pervasive lithium mineralization is considered to be open in all directions;
- Lithium mineralization appears to thicken and increase in grade towards the east;
- Potential exists for a water leach followed by dilute acid wash to mobilize lithium into solution;
- Laboratory studies continue to explore the highly reactive and soluble nature of the large volume of lithium enriched rock seen at Dean;
- Cypress awaits further assay results for the final four holes;
- Targeting of more core holes is being planned.

The five drill holes clearly show that a very large, tabular, lithium mineralized formation underlies the Dean property. All five holes reported here have intersected continuous, consistent grades of lithium mineralization of +1,000 ppm on average. The NQ core drilled exhibits excellent recovery of nearly 100%.

Dean Project Phase 1 drill hole location map:
http://www.cypressdevelopmentcorp.com/i/photos/CYP-Dean-Phase-1-Drilling-Satellite-Plan-Map.jpg

HOLE ID	From	To	Interval Thickness	Li Grade ppm
DCH-01	14.5 Feet	118 Feet	103.5 Feet	1145.9 ppm Li
DCH-02	1.5 Feet	368 Feet	366.5 Feet	846.9 ppm Li
Including	1.5 Feet	178 Feet	176.5 Feet	1007.5 ppm Li
DCH-03	1.0 Feet	251 Feet	250.0 Feet	860.4 ppm Li
DCH-04	1.5 Feet	238 Feet	236.5 Feet	1051.0 ppm Li
DCH-05	48.0 Feet	258 Feet	210.0 Feet	1139.5 ppm Li

*Li Grade is the average grade from continuous sample assays taken on 10 foot intervals.

An east-west section of approximately 4,000 feet has been explored at nominal 1,000 foot intervals in holes DCH-01 to DCH-05. Average mineralized thickness indicated by the downhole assay data is greater than 220 feet. All intercepts start at near surface.

Lithium mineralization appears to thicken and increase in grade towards the eastern portion of the Dean Project, as evidenced by the results received to date of the most easterly hole DCH-05.

The rocks hosting the continuous consistent lithium mineralization are a thick section of interbedded, ash and silt rich, mudstones and claystones, along with locally significant volcanic ash units, which constitute the logged downhole stratigraphy. The interbedded host sequence is highly calcareous throughout.

The host sequence is tilted eastward at less than 10 degrees. The thick, tabular zone is considered to be open in all directions. Data to date suggests excellent potential down the shallow dip direction to the east. Cypress has an additional 3,000 feet under claim to the east of the current drilling.

Cypress continues with ongoing laboratory studies to explore the reactive and soluble nature of the large volume of lithium enriched rock seen on the Dean Project so as to further understand a method of extraction and ultimately production. The observed reactivity is likely to be strongly related to the high carbonate content of the mineralized host rocks. Carbonate minerals are all partially to completely soluble in neutral water. Data from ongoing solubility studies suggests a 5% sulfuric acid solution will solubilize a large portion of the total lithium.

Don Huston, Cypress President, stated: "this initial drill program by Cypress indicates an average of +1000 ppm lithium starting at surface over an average of 220 foot thickness along a strike length of 4000 feet. The assays presented here becomes even more relevant with Cypress' Dean property located in a basin with an operating lithium mine as its next door neighbor. The potential value of a rapidly expanding zone of lithium mineralization on the Dean Project owned 100% by Cypress is growing exponentially. This is an exciting time for the Company and its shareholders."

Cypress Drills 281 feet of 1014 ppm Lithium in 2 mile step-out at Dean Project in Clayton Valley, Nevada

The Company announced on June 6, 2017, that further to its News Release on May 15th, the Company has received additional assay results from a 2017 Phase 1 core drilling program completed at Cypress' 100% held 2,700 acre Dean Lithium Project in Clayton Valley, Nevada.

Highlights:

- Results for step-out Dean drill Hole DCH 9 are being reported here;
- All mineralized intercepts at Dean start at near surface;
- Average mineralized thickness at Dean is greater than 250 feet;
- Drill data to date outlines a mineralized zone of roughly 4,000 feet by 12,000 feet;
- The thick, tabular zone of pervasive lithium mineralization is considered to be open in all directions;
- Cypress awaits further assay results for drill Holes DCH 6, 7 & 8;
- Targeting of more core drill holes is being planned;
- Laboratory studies continue to explore the highly soluble and reactive nature of the large volume of lithium enriched rock seen outcropping at Dean.

Cypress' exploration and core drilling results received to date from its Dean Project have been very encouraging. A large amount of data has been gathered and is being analyzed. A 2017 Phase 2 drilling program on the Dean Property is being proposed for the 3rd and 4th quarters to provide further in-fill data.

"The Company is pleased with the results received from its 2017 Phase 1 drilling program and is now advancing, with its data, into the scientific and engineering stage of the project. Expertise has been engaged to consult with Cypress' management as the Company advances towards a lithium extraction process," stated Donald Huston, President of Cypress Development. "The Company's objective is to determine an effective methodology to economically extract the lithium that is now known to exist in a large, flat lying, tabular body of continuously mineralized rocks at its Dean Project."

The continuous nature of the mineralization is very important in that bulk mineralization is created. The mineralization is not interrupted by non-mineralized intervals nor non-mineralized rock types.

Cypress believes the outcropping and consistent nature of the currently known lithium mineralization at Dean is highly encouraging for both the potential size and potential resource extraction methodologies. The drill data to date, which outlines an area of roughly 4,000 feet by 12,000 feet (1300 meters by 3700 meters) presents a starting point for planning a resource estimation process.

Cypress Announces Remainder of Phase 1 Drill Results from the Dean Lithium Project in Clayton Valley, Nevada

The Company announced on June 20, 2017, further to its News Releases on June 6th and May 15th, that the Company has received final assay results from a 2017 Phase 1 core drilling program completed at Cypress' 100% held 2,700 acre Dean Lithium Project in Clayton Valley, Nevada.

Highlights:

- Results for step-out Dean drill holes DCH 6, 7 and 8 are being reported here;
- All vertical mineralized intercepts at Dean start at near surface;
- Drill data to date outline a mineralized zone of roughly 4 km x 2 km;
- The thick, tabular zone of pervasive lithium mineralization is considered to be open in all directions;
- Targeting of more core drill holes is being planned;
- Laboratory studies continue to explore the highly soluble and reactive nature of the large volume of lithium-enriched rock seen outcropping at Dean.

The mineralization at Cypress' Dean Project is continuous from surface as has been seen in previously reported holes from the Phase 1 core drilling of the project. As with other reported holes, the lithium is concentrated in a thick, tabular body of volcanic ash and pumice rich mudstones. These mineralized, uplifted, sediments present an attractive target with the potential of defining a large scale and potentially highly reliable source of lithium.

Table for Dean Drill Holes DCH-06, DCH-07 and DCH-08:

Hole ID	From Ft	To Ft	Interval Ft	Li PPM
DCH-06	2	128	126	903
DCH-07	6	162	156	859
DCH-08	1.5	248	246.5	714

*Note: Li=Lithium Metal, Li Grade is the average grade from continuous sample assays taken on 10 foot intervals.

Cypress has discovered an extensive 60 to 100 meter thick blanket of lithium mineralization underlying a large portion of its 2,700 acre Dean Property. The mineralization covers an area of approx. 2 kilometers by 4 kilometers. The consistent mineralized volume evident on the explored portion of the Dean Property averages in excess of 1000 ppm Li.

The outcropping and consistent nature of the currently known lithium mineralization at Dean is highly encouraging for both the potential size and potential resource extraction methodologies. The drill data to date,

which outlines an area of roughly 2 kilometers by 4 kilometers presents a starting point for planning a resource estimation process.

Cypress maintains this large claim block known as the Dean Lithium Project as a 100% owned asset.

White Pine Claims (Gunman Zinc Project), Eureka, Nevada, USA

During the latter part of fiscal 2013, the Company decided to recommence activity on the property. As at September 30, 2017 the Company has incurred $440,305 in exploration expenditures to which $131,685 in option monies received has been applied against.

The Company entered into an option agreement on March 23, 2017 with Silcom Systems Inc. ("Silcom") which provides Silcom an earn-in option to acquire an initial 51% interest in Cypress' 100% owned Gunman zinc-silver property located in White Pine County, Nevada. Under the agreement, Silcom will issue 1,500,000 listed common shares and make cash payments of $300,000 USD and incur exploration expenditure totaling $1,850,000 USD over the three year term of the first agreement.

Cypress has granted Silcom a second option to acquire an additional 29% interest in the Gunman Property by issuing 500,000 listed common shares and making a cash payment of $250,000 USD within 90 days of Silcom satisfying and exercising the first option and incurring additional exploration expenditures totaling $1,100,000 USD within 12 months.

Upon completion by Silcom of the two option agreements and the issuance of all the shares and cash payments and completion of all work commitments set out above, Silcom shall have earned an 80% interest in the Gunman Property, subject to an underlying 2% net royalty interest.

The agreement is subject to TSX Venture Exchange acceptance and the shares of Silcom obtaining a Canadian stock exchange listing.

Highlights as at September 30, 2017

- Completed a National Instrument 43-101 Technical Report on the Gunman zinc-silver project, Nevada
- Completed a Phase 1 RC drill program on the Gunman zinc-silver project on the RH Zone
- Phase 1 results include Hole GMRC-9 assaying 175 foot interval that grades 121.0 g/t silver and 12.0% zinc starting at a 50 foot depth.
- Completed a Phase 2 RC drill program on the Gunman zinc-silver project on the RH Zone
- Phase 2 results include Hole GMRC-16 assaying 230 foot interval that grades 83.4 g/t silver and 13.4% zinc starting at surface.
- Doubled size of Gunman, Nevada land package
- Completed a detailed surface sampling program (zinc, silver, copper) on the Gunman, Nevada RH South Target
- Purchased high resolution airborne magnetometer survey data over the Gunman, Nevada project area

Cypress completed thirteen reverse circulation (RC) drill holes in May 2014 at the Gunman zinc-silver project in eastern White Pine County, Nevada. The drilling program totaled 3,520 feet and was directed at three targets areas located in the central portion of the property.

Summary of Quarterly Results

		3rd (3 months)	2nd (3 months)	1st (3 months)	4th (3 months)
		September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016
(a)	Revenue - interest	$ -	$ -	$ -	$ -
(b)	Net (loss)	$ (153,344)	$ (119,984)	$ (139,861)	$ (119,666)
(c)	Net (loss) per share:				
	Basic -	$ (0.004)	$ (0.003)	$ (0.004)	$ (0.005)
	Fully Diluted -	$ (0.004)	$ (0.003)	$ (0.004)	$ (0.005)

		3rd (3 months)	2nd (3 months)	1st (3 months)	4th (3 months)
		September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
(a)	Revenue - interest	$ -	$ -	$ -	$ (45)
(b)	Net (loss)	$ (728,202)	$ (223,685)	$ (94,286)	$ (127,171)
(c)	Net (loss) per share:				
	Basic -	$ (0.032)	$ (0.011)	$ (0.005)	$ (0.008)
	Fully Diluted -	$ (0.032)	$ (0.011)	$ (0.005)	$ (0.008)

For the Quarter Ended September 30, 2017

The Company is in the exploration and development stage and does not usually generate any revenue other than interest income on cash equivalents and guaranteed investment certificates.

For the quarter ended September 30, 2017, the Company reported a net loss of $153,344 or a $0.004 loss per share. Comparatively, the Company had a loss of $728,202 or a $0.032 loss per share during the same quarter in 2016. The 2016 quarter included a loss on sale of exploration and evaluation asset of $543,308. The loss would have been $184,894 without the inclusion of the loss on sale.

The Company's total expenses of $154,694 (2016 - $160,394) decreased by $5,700 as compared to the same quarter in the previous year. Share-based compensation expense (2017 - $25,584; 2016 - $Nil), is a non-cash item. Without the inclusion of share-based compensation in the 2017 quarter and $35,175 in finder's fee in the 2016 quarter, total expenses would have been $129,110 (2016 - $125,219), an increase of $3,891 in the current quarter.

Expenses such as accounting and audit, shareholder communications, transfer agent and filing fees and travel may vary quarter to quarter as the quarter in which they occur may vary from one quarter and year to another. Shareholder communications increases or decreases as the Company increases or decreases its advertising in trade magazines, on the internet and purchases more or less promotional materials as a result of the current market situation. Administrative expense varies with the amount of activity in the Company.

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business.

For the Nine Month Period Ended September 30, 2017

The Company is in the exploration and development stage and does not usually generate any revenue other than interest income on cash equivalents and guaranteed investment certificates.

For the nine month period ended September 30, 2017, the Company reported a net loss of $413,188 or a $0.012 loss per share. Comparatively, the Company had a loss of $1,046,174 or a $0.046 loss per share during the same period in 2016.

The Company had a loss on marketable securities of $22,645 (2016 - $Nil) and on sale of exploration and evaluation asset of $Nil (2016 - $543,308). The Company also had an unrealized loss on marketable securities of $Nil (2016 - $24,500). An unrealized loss is directly related to the change in the market price of the marketable securities from one reporting period to another. The Company had a share-based compensation expense of $25,584 (2016 - $117,162). Without these non-cash items, the loss would have been $364,959 (2016 - $361,204), an increase of $3,755 in the current period.

The Company's expenses of $390,543 (2016 - $478,366) decreased by $87,823 compared to the same period in the previous year. Without the non-cash item, share-based compensation in the amount of $ 25,584 (2016 - $117,162), the expenses would have been $364,959 (2016 - $361,204). The 2017 and 2016 total expenses were similar for the same period. Expenses can vary from one reporting period to another as an expense in the current period may be incurred in a different period in the previous year.

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business.

Liquidity and Capital Resources

In management's view, given the nature of the Company's operations, which consist of exploration and evaluation of mining properties, the most relevant financial information relates primarily to current liquidity, solvency and planned property expenditures. The Company's financial success will be dependent upon the extent to which it can discover mineralization and the economic viability of developing its properties.

Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond the Company's control, including the market value of the metals to be produced. The Company does not expect to receive significant income from any of its properties in the foreseeable future.

At September 30, 2017 the Company had cash of $472,785 compared to $450,289 at December 31, 2016. The Company generated $112,900 in gross proceeds from the exercise of options and warrants (2016 - $110,558 and $408,460 from private placements). Working capital was $590,076 at September 30, 2017 as compared to working capital of $637,977 at December 31, 2016.

The Company's cash position at December 31, 2016 was $450,289. As a result of expenditures incurred during the current period for general business expenses; the receipt of $112,900 in proceeds from the exercise of options and warrants, $176,855 from the sale of marketable securities, $65,075 from an option payment; expenditures in exploration and evaluation assets of $272,948; the increase in receivables and prepaid expenses of $97,225, in reclamation bonds of $22,339, in property and equipment of $893; and the decrease in accounts payable and accrued liabilities of $31,878; the Company's cash position at September 30, 2017 was $472,785.

The Company has historically met all cash requirements for operation by equity financing. Future funding needs of the Company are dependent upon the Company's continued ability to obtain equity and/or debt financing to meet its financial obligations and to pursue further exploration on its properties.

Off-Balance Sheet Arrangements

At September 30, 2017, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Transactions with Related Parties

The aggregate amount of expenditures paid or payable to key management personnel consisting of directors, former directors or companies with common directors was as follows:

	September 30, 2017	September 30, 2016
	9 months	*9 months*
Charged to profit and loss for consulting fees	$ 91,865	$ 59,088
Capitalized to exploration and evaluation assets	49,149	-
Share-based payments	25,584	52,732
	$ 166,598	$ 111,820

Administrative agreement

The Company operates from the premises of a private company that provides office and administrative services to the Company and various other public companies on a short-term contract basis. The private company incurs costs which are reimbursed by the Company and is charged an administration fee of $Nil (2016 - $7,110) representing 15% of the costs incurred.

Included in receivables and prepaid expenses at September 30, 2017 is $35,401 (December 31, 2016 - $4,407) due from the private company.

Effective June 30th, 2016, the privately owned company, no longer provided administrative services to the Company.

On July 1, 2016, the Company commenced administrative services with another private company with a common director. No administrative fees are charged for this service.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

New accounting standards and interpretations

Certain new standards, interpretations and amendments to existing have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2016, or later periods. Updates that are not applicable or are not consequential to the Company have been excluded in the standards listed below. The Company anticipates that the application of these standards, amendments, revisions and interpretations will not have a material impact on the results and financial position of the Company.

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments is part of the IASB's wider project of replacing IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 simplifies the mixed measurement model and establishes two primary

measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristic of the financial assets. This standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 16 Leases

IFRS 16 Leases replaces IAS 17 – Leases require lessees to account for leases on the statement of financial position by recognizing a right to use asset and lease liability. The standard is effective for annual reports beginning on or after January 1, 2019, with earlier adoption permitted.

Subsequent Events

The following events occurred subsequent to September 30, 2017:

Cypress Closes Non-Brokered Private Placement Financing

Cypress Development Corp. announced on October 18, 2017 that it has closed a non-brokered private placement and issued 14,164,840 units at a subscription price of $0.10 per unit for gross proceeds of $1,416,484. Each unit consists of one common share of the Company and one share purchase warrant. Each Warrant entitles the holder to acquire one additional common share of the Company at a price of $0.13 for a period of 2 years following the issuance date of the warrant.

Finder fees totaling 455,700 warrants and $45,570 cash were paid to several finders in connection with a portion of the private placement. The warrants issued to finders have the same terms as the Warrants issued to subscribers.

A total of 1,161,870 units were issued to related parties, being senior officers and directors of the Issuer, representing 4.88% undiluted and 5.61% fully-diluted as to the total number of common shares of the Company issued and outstanding.

All the Units and the Warrants are subject to a statutory hold period of 4 months and 1 day from the issuance date thereof.

The Company intends to use the proceeds from the private placement to complete a drilling program on Cypress' 100% held Dean and Glory Lithium Projects in Clayton Valley, Nevada and for general working capital purposes.

Cypress Clayton Valley, Nevada Lithium Projects location map:
http://www.cypressdevelopmentcorp.com/i/maps/CYP-Clayton-topo-satalite-small.jpg

Cypress Commences Drilling at Clayton Valley Lithium Project, Nevada

Cypress Development Corp. announced on October 19, 2017 that it has commenced drilling on its Clayton Valley Lithium Project, located just east of Albemarle's Silver Peak lithium brine operation in the heart of Clayton Valley.

Cypress Clayton Valley, Nevada Lithium Projects location map:
http://www.cypressdevelopmentcorp.com/i/maps/CYP-Clayton-topo-satalite-small.jpg

Cypress plans to drill 12 holes totalling 4,000 feet of NQ-size core. The 2017 fall program will be divided between Cypress' contiguous Glory and Dean claim blocks, which cover an area totalling 4,220 acres and are 100% controlled by Cypress. Drilling will be completed by Morningstar Drilling of Three Forks, Montana. A drill is at the site and the first hole was collared on the Dean claims.

Dean Project planned Phase 2 drill hole location map:
http://www.cypressdevelopmentcorp.com/i/maps/CYP-Dean-Drill-Holes-Phase-2-Map.jpg

Glory Project planned Phase 1 drill hole location map:
http://www.cypressdevelopmentcorp.com/i/maps/CYP-Glory-Drill-Map-2017.jpg

To date, all of Cypress' drilling has been on the Dean claims, where a 9-hole program was completed earlier this year. All nine holes encountered significant values within claystone, which ranged up to 1790 ppm lithium and averaged 900 ppm lithium (or 0.48% Lithium Carbonate Equivalent) throughout the average drill-depth of 243 feet for all nine holes. The program covered a large area, measuring roughly 12,000 feet in length by 4,000 feet in width, and the lithium-bearing claystone is considered open in all directions.

Dean Project 2017 Phase 1 drill hole location map:
http://www.cypressdevelopmentcorp.com/i/photos/CYP-Dean-Phase-1-Drilling-Satellite-Plan-Map.jpg

Immediately south of the Dean claim block extensive sampling by Cypress on the Glory claims has identified lithium mineralization in surface exposures of claystone which ranged up to 3,800 ppm over 9,500 feet along the same trend encountered on the adjoining Dean claims.

Cypress believes its claystone deposit in Clayton Valley has the potential to contain a significant resource of lithium, and may have physical and logistical features that could make it a productive, long-term source of lithium.

Cypress remains very active in Nevada, with its geological team focused on systematically exploring its properties for lithium. In addition to the ongoing drilling program, Cypress is continuing studies to determine the exact nature and distribution of the lithium mineralization in the claystone, and identify an effective means of extraction.

Cypress Development Grants Stock Options

Pursuant to its stock option plan, on October 27, 2017, the Company has granted incentive stock options to its directors, officers, employees and consultants to purchase up to an aggregate of 1,730,000 common shares in the capital stock of the Company, exercisable for a period of five years, at a price of $0.18 per share.

Cypress Provides Drilling Update at Clayton Valley Lithium Project in Nevada

The Company announced on November 27, 2017 that it has completed the first half of its fall 2017 drilling program on its Dean & Glory properties, located in Clayton Valley, Nevada.

Cypress Clayton Valley, Nevada Lithium Projects location map:
https://www.cypressdevelopmentcorp.com/site/assets/files/3548/cyp-clayton-topo-satalite-small.jpg

The fall 2017 program was planned for 12 to 14 drill holes, totaling up to 1500 meters of NQ-size core, to be divided between Cypress' contiguous Dean and Glory properties. The two properties cover an area totaling 4,220 acres and are 100 per cent controlled by Cypress. So far, in the fall program, the Company has completed five holes on the Dean property. These holes were drilled on two east-west fences, about one kilometer apart and with 400 meters between the holes. With this spacing, and another nine holes drilled earlier this year, the Company anticipates establishing several kilometers of continuous lithium mineralization across the property. All the core from these five holes has been logged, split and submitted to an assay laboratory for analysis. The Company expects to receive assay results later this month or in December. Geology and structure seen in all five holes are consistent with the drill results obtained on the Dean property earlier this year.

2017 Dean & Glory Projects, Clayton Valley, Nevada drill hole map:

https://www.cypressdevelopmentcorp.com/site/assets/files/3573/cyp-dean-and-glory-drillingsm.jpg

To date, all of Cypress' drilling has been on the Dean property. Assays results from nine holes drilled earlier this year are summarized in the table below. All nine holes encountered significant lithium values within claystone, ranging up to 1,790 parts per million lithium (ppm) and averaging 900 ppm lithium (or 0.48 per cent lithium carbonate equivalent) throughout an average drill depth of 74 meters across all nine holes. This initial drilling on the Dean property covered an area of about four kilometers in length by two kilometers in width. The lateral limits of the area of lithium-bearing claystone are considered open in all directions.

TABLE. Summary of Spring 2017 Dean Property Drill Holes

		Intersection (m)			**Lithium Values (ppm Li)**		
Drill Hole		**From**	**To**	**Length**	**Min**	**Max**	**Avg**
DCH-01	(1)	4.5	36	31.5	900	1760	1146
DCH-02		0.5	112.2	111.7	350	1580	847
DCH-03		0.3	76.8	76.5	290	1190	860
DCH-04	(2)	1.5	72.5	71.0	660	1640	1051
DCH-05		0.1	79.9	79.8	550	1460	1063
DCH-06	(3)	0.6	39.0	38.4	500	1150	903
DCH-07		1.8	78.6	76.8	530	1250	777
DCH-08		0.5	75.6	75.1	430	1220	714
DCH-09		0.0	106.1	106.1	150	1490	903
			Average	**74**			**900**

*Notes: ppm=parts per million, Avg=Average, M=Meters, From is depth from surface.
(1) DCH-1 was lost and ended in 1340 ppm Li
(2) DCH-4 ended in 930 ppm Li
(3) DCH-6 was lost and ended in 1040 ppm Li

Cypress has now moved the drill rig onto the Glory property, immediately south of the Dean. The remainder of the drill program on Glory will consist of six to eight holes. Previous sampling on the Glory property identified lithium values in surface exposures ranging up to 3,800 ppm for over three kilometers south along trend from the adjoining Dean property. Cypress expects to extend the outline of the lithium-rich claystone seen in drilling southward into the Glory property.

Cypress believes its claystone deposit in Clayton Valley, which is located due east of Albemarle's Silver Peak lithium brine operation, has the potential to become a significant source of lithium. Cypress is very active in Nevada, with its geological team focused on systematically exploring its properties for lithium. In addition to the drilling in progress, Cypress is continuing with metallurgical studies to determine the exact nature and distribution of the lithium mineralization in the claystone with the goal of identifying a cost-effective means of extraction. Cypress is focused on the development of an economic process for extracting the lithium from its Clayton Valley deposit.

Geological Description of the Clayton Valley, Nevada:

The geology of the Clayton Valley in Nevada is best summarized as being what is essential to have formed the largest lithium production center in North America. Lithium has been produced from surface and subsurface brines since 1967. Though other important contributions from other geologists have occurred over many years, Cypress is largely responsible for the realization that most of the lithium in the Clayton Valley remains untouched

and appears to represent an important, potentially long term supply of lithium. This resource is not contained in brine, but in fact sits exposed at surface along the east margin of the basin.

An overview of some important geological features of the Clayton Valley include:

1. The Clayton Valley is a topographically closed basin, not a Valley. No water escapes the Clayton Valley except by evaporation. Evaporation has resulted in the trapping and concentration of lithium within the basin.
2. The Clayton Valley has been undergoing tectonic subsidence for the last one million years.
3. Volcanic ash from active volcanic vents in the region has accumulated to substantial thicknesses as the basin continually sags lower. This ash has settled into a layered sequence that is >1000 meters thick.
4. The upper 100 to 200 meters of the ash rich stratigraphy are highly enriched in lithium, not solely in ground water aquifers, but also pervasively through the basin sediments themselves.
5. The basin fill ash rich sediments are exposed at surface only along the east margin of the basin. The Cypress land position dominates this uplifted, well mineralized exposure.

Based on the results of nearly two years of highly focused and efficient exploration of the outcropping, lithium rich stratigraphy, it is now clear that a significant volume of lithium has been discovered in the east Clayton Valley and that the amount of lithium so far discovered in the ash rich rocks is several orders of magnitude larger than the remaining lithium brine resources within the basin.

Based on this, Cypress believes the future production of lithium from the basin will be dominated by mining of the uplifted, outcropping ash-rich basin-fill sediments.

Robert Marvin, B.Sc., PGeo, VP of Exploration and Director of Cypress Development Corp., is the qualified person as defined by National Instrument 43-101 and has approved of the technical information in this release.

Financial Instruments and Other Risks

The Company's financial instruments consist of cash, receivables and accounts payable and accrued liabilities.

The Company does not use derivative instruments to reduce its exposure to foreign exchange risk. The fair market values of these financial instruments approximate their carrying values, unless otherwise noted.

In conducting business, the principal risks and uncertainties faced by the Company center on exploration and development and metal prices and market sentiment. Exploration for minerals and development of mining operations involve many risks, many of which are outside the Company's control. In addition to the normal and usual risks of exploration and mining, the Company often works in remote locations that lack the benefit of infrastructure or easy access.

The prices of metals fluctuate and are affected by many factors outside of the Company's control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies.

The Company relies on equity financing for its working capital requirements and to fund its exploration programs. The Company does not have sufficient funds to put any of its resource interests into production from its own financial resources. There is no assurance that such financing will be available to the Company, or that it will be available on acceptable terms.

The Company's business is highly uncertain and risky by its very nature. The two most significant risks for the Company are:

1) The chances of finding an economic ore body are extremely small;

2) The junior resource market, where the Company raises funds, is extremely volatile and there is no guarantee that the Company will be able to raise funds as it requires them. Other risk factors include the establishment of undisputed title to mineral properties, environmental concerns and the obtaining of governmental permits and licenses when required. Success is totally dependent upon the knowledge and expertise of management and employees and their ability to identify and advance attractive exploration projects and targets from grass roots to more advanced stages.

Regulatory standards continue to change, making the review process longer, more complex and therefore more expensive. Even if an ore body is discovered, there is no assurance that it will ever reach production.
While it is impossible to eliminate all of the risks associated with exploration and mining, it is management's intention to manage its affairs, to the extent possible, to ensure that the Company's assets are protected and that its efforts will result in increased shareholder value.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote because these instruments are due primarily from government agencies.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at September 30, 2017, the Company had a cash balance of $472,785 (December 31, 2016 - $450,289) to settle current liabilities of $10,161 (December 31, 2016 - $42,039). All of the Company's financial liabilities are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest rate risk

The Company has cash balances held with financial institutions. The Company's current policy is to invest excess cash in guaranteed investment certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. In addition to cash and interest-bearing deposits with banks of $472,785 as of September 30, 2017 (December 31, 2016 - $450,289), the Company has $Nil (December 31, 2016 - $Nil) in interest-bearing investment-grade guaranteed investment certificates with accrued interest of $Nil (December 31, 2016 - $Nil). A 1% change in interest rates would have an effect of $Nil (December 31, 2016 - $Nil) on interest income.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables and accounts payable and accrued liabilities that are denominated in United States Dollars. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. In addition to cash in US bank accounts of $12,501 as of September 30, 2017 (December 31, 2016 - $66,336), the Company has $Nil (December 31, 2016 - $21,792) in liabilities to US payees. A 1% change in foreign exchange rates would have an effect of $125 (December 31, 2016 - $445) on foreign currency.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

Proposed Transactions

The Company has no proposed transactions.

Additional Information

Additional information with respect to the Company is also available on the Company's website at www.cypressdevelopmentcorp.com and also on SEDAR at www.sedar.com

Management's Responsibility for Financial Statements,

The Company's management is responsible for presentation and preparation of the interim financial statements and the Management's Discussion and Analysis.

The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

The financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information.

The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected.

Share Capital

As at the report date of November 29, 2017 the following were outstanding:

Share capital – issued and outstanding	53,090,570
Options	5,120,000
Warrants	20,307,173
Shares held in escrow	Nil