

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
August 29th, 2019
- Item 3. News Release
A news release was issued throughout Canada by wire service on **August 29th, 2019** and filed on SEDAR on that same day.
- Item 4. Summary of Material Change
Cypress Development Achieves Processing Milestone at Clayton Valley Lithium Project in Nevada
- Item 5. Full Description of Material Change
See “Schedule A”
- Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102
N/A
- Item 7. Omitted Information
None.
- Item 8. Executive Officer
William Willoughby - CEO
Phone: (604) 687-3376
- Item 9. Date of Report
August 29th, 2019

SCHEDULE A



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NEWS RELEASE

August 29, 2019

Cypress Development Achieves Processing Milestone at Clayton Valley Lithium Project in Nevada

Vancouver, BC - Cypress Development Corp. (TSX-V: [CYP](#)) (OTCQB: [CYDVF](#)) (Frankfurt: [C1Z1](#)) ("Cypress" or "the Company") is pleased to report the successful completion of slurry rheology and filtration studies integral to the prefeasibility study (PFS) of the Company's Clayton Valley Lithium Project. The results come after months of testing by laboratories and detailed review with consultants and equipment vendors. The results represent a major milestone in the project that simplifies the process flowsheet.

Cypress CEO Bill Willoughby commented, "A critical step for us at Clayton Valley is the separation of solids and liquids. A viable process is dependent upon the ability to separate the process leach solution (PLS) from the leached residue whether by thickeners, filters, or other means. Significant test work has allowed Cypress to identify a commercially viable process, based on filtration, to take the solid-liquid separation from the laboratory benchtop to the operational scale."

Cypress released positive results from the first and second phases of its PFS metallurgical program in February and July, respectively (see news releases [Feb. 26th](#) & [July 15th](#)). Since then, work has continued on other aspects of the PFS, including recovery and concentration of the lithium from solution through mechanical evaporation, membrane filtration, and ion exchange processes. Tests were conducted on physical properties of the leach slurry to determine means of handling in leach stages, washing, and final tailings placement.

“The Cypress technical team discovered the Clayton Valley clays behave differently at varying leach conditions” said Willoughby. “Cypress now has a greater understanding of this portion of the process. By looking at the electro-kinetic potential of the clays we can select the reagents and equipment needed. We also know under what conditions the rheology of the slurries becomes a limitation and can design the flowsheet accordingly.”

Ultimately, the production of low-sediment leach solutions is necessary to recover the lithium through downstream concentration steps and create high-solids leach residues for the tailing’s facility. Willoughby continued “with this new knowledge, we are confident we can not only move forward with the PFS, but we can simplify a significant portion of the leaching flowsheet.”

The efficiencies and knowledge gained through this portion of study will enhance the project flowsheet and ultimate plant design. Cypress is looking at additional steps to simplify the plant design with the goal to further streamline the production process. With metallurgical and materials handling studies completed, Cypress expects to publish these results in the PFS during the fourth quarter of 2019.

Todd Fayram, PE, is the qualified person as defined by National Instrument 43-101 and has approved of the technical information in this release.

About Cypress Development Corp.:

Cypress Development Corp. is a publicly traded exploration company focused on developing the Company's 100%-owned Clayton Valley Lithium Project in Nevada. Exploration and development by Cypress has discovered a world-class resource of lithium-bearing claystone adjacent to Albemarle's Silver Peak mine, North America's only lithium brine operation. The size of the resource makes the Clayton Valley Project a premier target that has the potential to impact the future supply of lithium for the fast-growing global lithium-ion battery market.

Cypress Development Corp. has approx. 81.2 million shares issued and outstanding.

To find out more about Cypress Development Corp. (TSX-V: [CYP](https://www.cypressdevelopmentcorp.com)), visit our website at www.cypressdevelopmentcorp.com.

CYPRESS DEVELOPMENT CORP.

“Dr. Bill Willoughby”

WILLIAM WILLOUGHBY, PhD., PE
Chief Executive Officer

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