



NEWS RELEASE

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REGARDING UNDERWRITING COMMISSION * * *

CYPRESS DEVELOPMENT COMPLETES OVER-SUBSCRIBED \$18.1 MILLION BOUGHT DEAL FINANCING

February 4, 2022 – Vancouver, Canada – Cypress Development Corp. (TSXV: CYP) (OTCQX: CYDVF) (Frankfurt: C1Z1) (“Cypress” or “the Company”) is pleased to announce that it has closed its previously announced upsized bought deal offering (the “Offering”) with PI Financial Corp. as the sole underwriter and bookrunner (the “Underwriter”).

Pursuant to the Offering, the Company issued a total of 9,058,000 units of the Company (“Units”) at a price of \$2.00 per Unit and 142,000 Warrants (as defined below) at a price of \$0.1598 per Warrant, for aggregate gross proceeds of \$18,138,720, which includes 1,058,000 Units and 142,000 Warrants issued by the Company upon partial exercise of the overallotment option granted to the Underwriter. Each Unit consist of one common share of the Company and one common share purchase warrant (each, a “Warrant”). Each Warrant entitles the holder to acquire one common share of the Company at a price of \$2.65 with a Warrant expiry date of February 4, 2024.

The net proceeds from the Offering are expected to be used by the Company to fund ongoing work, development and permitting activities at its Clayton Valley Lithium Project in Nevada and for working capital and general corporate purposes.

In consideration for the Underwriter’s services, the Underwriter received a cash commission equal to 6.0% of the gross proceeds of the Offering, including any proceeds realized from the exercise of the overallotment option granted to the Underwriter, and was issued a total of 543,480 compensation warrants, with each such compensation warrant entitling the Underwriter to acquire one common share of the Company at a price of \$2.00 with an expiry date of February 4, 2024.

The Units issued under the Offering were offered by way of a short form prospectus filed in each of the provinces of Canada, except Québec. The Units were also offered in the United States to Qualified Institutional Buyers pursuant to exemptions from the registration requirements of the United States Securities Act of 1933 as amended, (the "U.S. Securities Act"), in a manner that does not require the Offering to be registered in the United States, and in certain other jurisdictions in accordance with applicable securities laws.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

About Cypress Development Corp

Cypress Development Corp. is a Canadian based advanced stage lithium exploration company, focused on developing its 100%-owned Clayton Valley Lithium Project in Nevada, USA. Work completed by Cypress led to the discovery of a world-class resource of lithium-bearing claystone adjacent to the Albemarle Silver Peak mine, North America's only lithium brine operation. Cypress is advancing its Clayton Valley Lithium Project in Nevada towards the production of high-purity lithium hydroxide suitable for tier one battery usage.

ON BEHALF OF CYPRESS DEVELOPMENT CORP.

WILLIAM WILLOUGHBY, PhD., PE
President & Chief Executive Officer

For further information, please contact:

Spiros Cacos | Vice President, Investor Relations
T: +1 604 764 1851 | TF: 1 800 567 8181 | Email scacos@cypressdevelopmentcorp.com
www.cypressdevelopmentcorp.com

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Cautionary Note Regarding Forward-Looking Statements

This release includes certain statements that may be deemed to be "forward-looking statements" including, but not limited to, statements related to the expected use of proceeds of the Offering. All statements in this release, other than statements of historical facts, that address events or developments that management of the Company expects, are forward-looking statements. Although management believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, and actual results or developments may differ materially from those in the forward-looking statements. The Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change. Factors that could cause actual results to differ materially from those in forward-looking statements, include market prices, exploration and development successes, continued availability of capital

and financing, and general economic, market or business conditions. Please see the public filings of the Company at www.sedar.com for further information.