

# FORM 7

## MONTHLY PROGRESS REPORT

Name of CNSX Issuer: Nass Valley Gateway Ltd. (the “Company” or “Nass Valley”).

Trading Symbol: NVG

Number of Outstanding Listed Securities: 31,751,977

Date: February 5, 2017

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer’s ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are “material information” as defined in the CNSX Policies. The discussion in this report must be factual, balanced and non-promotional.

### General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

### Report on Business

1. Provide a general overview and discussion of the development of the Issuer’s business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**The Company’s common shares are listed for trading on the CSE under the symbol “NVG” and are co-listed on the “open market” of the Frankfurt Stock Exchange and trading under the symbol “3NVN”.**

**As announced in the Company’s July 5, 2016 news release and the Company’s June 2016 Monthly Report, the acquisition of its target (“Target-A”) did not receive regulatory approval and is no longer being pursued. Nass Valley’s legal counsel has advised the Company and Target-A’s Canadian attorney that the definitive agreement has not become effective as it did not meet the CSE’s requirement for listing approval. During the Company’s due diligence period, the trading of the Company’s stock was halted pending the approval of the above transaction but Nass Valley’s shares resumed trading on June 6, 2016.**

**The Company is continuing its evaluation of other qualifying projects for adding value to the Company and its investors and is progressing in its due diligence and negotiations with the principles of the shortlisted projects.**

2. Provide a general overview and discussion of the activities of management.

**As stated in the Company's Monthly Report for June 2016 and the news release dated July 5, 2016, the acquisition of Target-A did not receive regulatory approval and is no longer being pursued by the Company. For more details of the acquisition and Listing Statement filings the Company encourages all investors and shareholders to review the Company's news releases and previously filed "Monthly Progress Reports", which can be found on Nass Valley Gateway's page on the CSE website: <http://thecse.com>.**

**On the advice of its Canadian securities lawyer, the Company had obtained outside legal counsel in regard to the acquisition of Target-A. A letter from the Company's legal counsel had been sent to Target-A's Canadian attorney that the agreement has not become effective as it did not meet the CSE's requirement for listing approval.**

**The Company was actively evaluating several qualifying projects to add value to Nass Valley and for its investors and is still receiving offerings of possible projects. In November the Company had narrowed its shortlist of potential projects to one specific target company (the "Target-1") to be pursued aggressively and one project ("Target-2") as backup in case the terms for a possible substantial acquisition could not be reached. Members of the Company's management travelled to Europe in order to meet with possible partners and to outline the basic conditions and technicalities for a possible joint operation and the conditions for the to-be-drafted agreements. Subsequent to extensive negotiations, in which the Company realized it was unable to move forward with the acquisition of Target-1, the Company's management initiated negotiations with Target-2 for the acquisition of a qualifying project that would add value to the Company and its shareholders. Nass Valley will immediately provide more information on the outcome of its ongoing negotiations and due diligence efforts when management determines the Company is able to disclose additional information.**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**As referred to under section 2, Nass Valley had shortlisted its possible qualifying projects to one primary and one backup target and members of the Company's management travelled to Europe in November 2016 to meet with possible partners and demonstrate through visits to highly successful projects within Germany it had previously initiated, financed and brought into production. The negotiations between the Company and Target-1 have since stalled and, as a result, the Company's management has begun negotiations with Target-2 for the acquisition of a qualifying project that would add value to the Company and its shareholders.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**The members of the possible future Target, referred to in sections 2 and 3, including its corporate and non-corporate shareholders, are, without exception, Non-Related Persons.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provides details of the relationship.

**None.**

8. Describe the acquisition of new customers or loss of customers.

**None.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**Due to a tight budget, executive members of the Company's management team, including certain officers and employees, continue to provide unpaid services to the Company.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**None.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**The company has no debts outstanding and has sufficient working capital to remain in good standing with all regulatory authorities.**

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
<b>No Securities, options or warrants were issued during the month of January 2017</b>			

(1) *State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

**The Company did not enter into any loans or receive any cash advances during the month of January 2017 and has no loans outstanding whether to Related or Unrelated Persons.**

16. Provide details of any changes in directors, officers or committee members.

**None.**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. The Company is convinced that it will need additional capital in the future to finance the ongoing commercialization of its technology projects and such capital will have to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings, including possible governmental subsidies, and additional sales contracts.**

**Nass Valley Gateway has limited financial resources and presently has no source of operating income. Although the Company has been successful in the past in financing its activities through the sale of equity securities and loans from insiders, there is no assurance that additional funding will be available to it for future development of its projects. The Company's ability to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and success in its projects.**

**There can be no assurance that continual fluctuations in the Company's share prices will not occur or that these fluctuations will not affect the ability of the Company to raise equity funding, and if at all, without causing a significant dilution to its existing shareholders. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.**

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

**Dated: February 5, 2017**

Dieter Peter  
 Name of Director or Senior Officer  
"Dieter Peter"  
 Signature  
President & CEO  
 Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer <b>Nass Valley Gateway Ltd.</b>	For Month End <b>January 31, 2017</b>	Date of Report YYYY/MM/DD <b>2017/02/05</b>
Issuer Address <b>1140-13700 Mayfield Place</b>		
City/Province/Postal Code <b>Richmond, B.C. V6V 2E4</b>	Issuer Fax No. <b>(604) 278-1139</b>	Issuer Telephone No. <b>(604) 278-1135</b>
Contact Name <b>Dieter Peter</b>	Contact Position <b>President &amp; CEO</b>	Contact Telephone No. <b>direct: (604) 278-1132</b>
Contact Email Address <b>info@nassvalleygateway.com</b>	Web Site Address <b>www.nassvalleygateway.com</b>	