

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: **NVG**

Number of Outstanding Listed Securities: **31,751,977**

Date: **January 2, 2018**

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 Exchange 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 Exchange 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 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”.

On March 2, 2017, the Company announced that after extensive evaluations of qualifying projects, during the last three years in particular, it had entered into a Definitive Asset Purchase Agreement (“DAP-Agr”) for an exclusive right to acquire 100% of IXI Treasury Holdings Ltd. (“ITHL”). In September and October 2017, the Company announced two addenda (the “DAP-Addenda”) to the DAP-Agr which allowed ITHL to transfer the DAP-Agr to an affiliated company IXI Ventures PLC (“IXIVP”) in order to replace ITHL’s assets to be acquired as defined under the DAP-Agr with a basket of diversified, tangible assets of equal value owned by IXIVP (“Assets-IXIVP”).

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

After extensive evaluations of several potential projects including the assets of ITHL (“ITHL-Assets”), the Company came to acceptable terms with ITHL, and executed the DAP-Agr to acquire 100% of the assets of ITHL including all of the issued shares of ITHL (“Assets-ITHL”).

In June 2017, the Company arranged a meeting in Frankfurt, Germany, between the representative of ITHL (from Denmark) and two of Nass Valley’s directors to discuss the progress of ITHL’s financial statements and its specific audit requirements to fully satisfy the Regulatory Authorities and the Board of Directors. However, the overall verification and essence of the Assets-ITHL (a Brazilian Government Bond with a face value of C\$800m and maturing in 2036), including a final validation of the Brazilian Treasury Bond and in particular the additional verification and authentication process of the Assets-ITHL through ITHL’s Canadian auditors, caused more time and effort than initially expected by all parties engaged in the process. As a result, in August and October, the Company and ITHL executed the two DAP-Addenda to the DAP-Agr which allowed ITHL to assign firstly, the DAP-Agr to IXIVP and provide for a replacement of the Assets-ITHL with the Assets-IXIVP, conditional upon the verification of its value through audited financial statements of IXIVP, as requested by Nass Valley and secondly, to eliminate any consolidation requirements of the Company’s share capital. The second addendum stipulated also that if IXIVP was not able to provide its audited financial statements by December 15, 2017 (the “Standstill”) as requested by Nass Valley, the parties would be free to investigate and solicit alternative projects.

The Company’s European director confirmed early December 2017, that IXIVP had contracted a qualified audit firm in London to perform the requested audit and verification of the Assets-IXIVP but as of this date the Company has not received any audited financials nor has any of the parties cancelled the agreement. The Company will verify the status of IXIVP’s audited financials in early January and is prepared to issue a cancellation and follow up on investigating alternative qualifying projects.

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.

Referring to section 2, the Company's directors have discussed its possible steps of starting the Company's first Clean-Tech project and its financing, the possible joint venture of the acquisition and the development of a project team within the Clean-Tech industry segment.

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 Company has been contacted in respect to alternative projects.

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.

With the exception of the "Standstill" referred under Section 2., there are 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 provide 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, directors of the board and executive members of the Company's management team, excluding payments to the Company's Corporate Secretary as an employee and certain cash reimbursements for provided consulting services, continue to provide unpaid services to the Company. On December 15th, 2017 the Corporate Secretary accepted a lay-off notice of undetermined length to be effective January 15, 2018.

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 ⁽¹⁾
Options	560,000	Stock options granted to directors, employees and consultants at an exercise price of \$0.10 per share for a term of three years from the date of issuance.	N/A

(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 December 2017 and has no loans outstanding whether to Related or Unrelated Persons.

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

At the Company's Annual General Meeting held on December 5, 2017 (the "AGM"), Messrs. Eric Peter-Kaiser, Milo Filgas, Andrew von Kursell and Dieter Peter were re-elected as directors.

Following the AGM, the Board of Directors reappointed Dieter Peter as President & CEO and Michael Kelm as Corporate Secretary and Eric Peter-Kaiser was appointed as Interim CFO. Andrew von Kursell was appointed as Chairman of the Company's Audit Committee, with Milo Filgas and Eric Peter-Kaiser also appointed to the Audit Committee.

Management elected not to establish any Board Committees other than the election of the Audit Committee and to reinstate the Advisory Committee with MR. James Elliott as its only member at the present time.

As the Directors are presently involved in all operations of the Company and the size of the Company's operations does not warrant a larger board of Directors or additional Committees at this point in time. Once the Company has decided on a qualifying project and has received the necessary approval from the Exchange for the proposed transaction, the Company will appoint in due course other committees necessary and adequate to its future operation.

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 the Exchange 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 Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated **January 3, 2018**.

Dieter Peter
Name of Director or Senior
Officer

"Dieter Peter"
Signature
President & CEO
Official Capacity

<i>Issuer Details</i> Name of Issuer Nass Valley Gateway Ltd.	For Month End December 31, 2017	Date of Report YY/MM/D 2018/01/03
Issuer Address 1140-13700 Mayfield Place		
City/Province/Postal Code Richmond, B.C. V6V 2E4	Issuer Fax No. (604) 278-1139	Issuer Telephone No. (604) 278-1135
Contact Name Dieter Peter	Contact Position President & CEO	Contact Telephone No. Direct (604) 278-1132
Contact Email Address info@nassvalleygateway.com	Web Site Address www.nassvalleygateway.com	