

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: NSS Resources Inc. (the "Issuer").

Trading Symbol: NSS

Number of Outstanding Listed Securities: 11,367,501

Date: August 5, 2017

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.

- on July 4, 2017: the issuer announced that further to the Company's news release dated April 21, 2017, the Company has entered into a share exchange agreement ("Share Exchange Agreement") with Upco Systems Inc. ("Upco") and Aduna Holding GmbH ("Aduna"). Pursuant to the Share Exchange Agreement, NSS will acquire all of the issued and outstanding shares of Upco via the issuance of 33,000,000 common shares of NSS at a deemed price of \$0.06 per NSS share. A finder's fee of 2,000,000 NSS shares will be paid at closing. All of these securities will be subject to CSE escrow requirements and a statutory 4-month hold and will be so legended.

Closing of the proposed transaction is subject to a number of conditions being satisfied or waived at or prior to closing, including the following:

- no material adverse change with respect to Upco or its business having occurred prior to closing of the Share Exchange Agreement;
- the receipt of all required regulatory and Canadian Securities Exchange approvals; and
- The transaction represents a fundamental change pursuant to the Policies of the Canadian Securities Exchange, and is subject to shareholder approval.

Following the transaction, the business of the issuer will be the business of Upco.

Upco operates primarily in the telecommunications industries as a licensed Global Telecom Carrier within the international VoIP (voice over IP) wholesale business with its main reportable business segment being wholesale international long distance traffic termination. Upco has also designed a software program that will enable fully secure communications, social media, namely connecting users and sharing pictures, locations, international airtime top up, International and national calls and chatting. Please visit www.upcosystems.com for further information.

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

- Management worked on the UPCO transaction. The new listing statement has

- been filed with the CSE.
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.
- Not Applicable ("N/A")
 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.
- The issuer's last Seneca claim lapsed on July 10, 2017.
 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.
- N/A
 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.
- N/A
 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.
- N/A
 8. Describe the acquisition of new customers or loss of customers.
- N/A
 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.
- N/A
 10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.
- N/A
 11. Report on any labour disputes and resolutions of those disputes if applicable.

- N/A
- 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.
 - N/A
- 13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.
 - N/A
- 14. Provide details of any securities issued and options or warrants granted. N/A

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾

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

- 15. Provide details of any loans to or by Related Persons.
 - N/A
- 16. Provide details of any changes in directors, officers or committee members.
 - N/A
- 17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.
 - The issuer is a junior exploration company. The issuer relies on raising external capital to fund its operations as the issuer has not generated any revenues or profits since inception. If commodity prices go down then it becomes more difficult for the issuer to raise capital.

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 August 5, 2017.

Jag Sandhu
Name of Director or Senior
Officer

"Jag Sandhu"
Signature
President and CEO
Official Capacity

Issuer Details Name of Issuer NSS Resources Inc.	For Month End July 2017	Date of Report YY/MM/DD - 2017 / August / 5
Issuer Address 206 - 595 Howe Street		
City/Province/Postal Code Vancouver, BC, V6C 2T5	Issuer Fax No.	Issuer Telephone No. (778) 218 9638
Contact Name Jag Sandhu	Contact Position - CEO and President	Contact Telephone No. - 778 218 9638
Contact Email Address JAGJNS@OUTLOOK.COM	Web Site Address www.nssresources.net	

