FORM 7  
  
MONTHLY PROGRESS REPORT

Name of Listed Issuer**: NASS VALLEY GATEWAY LTD** (the “Issuer” or “NVG”).

Trading Symbol: **NVG**

Number of Outstanding Listed Securities: **312,679,477 common shares**

Date**: August 5th, 2021**

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**

1. 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.
2. The term “Issuer” includes the Issuer and any of its subsidiaries.
3. 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.

**During July 2021, the Issuer continued finalizing its new broad and full spectrum CBD products offering and worked to complete new designs, packaging, and website design features. Management also spent resources against the launch of Nass Valley Direct, a new direct sales platform directed at creating a commission-only national sales force. By creating webinar content, we began the process of recruiting new sales associates and hosted three webinars recruiting in the State of Florida. Management also was deeply involved in producing new inventory that will be ready to ship in early June.**

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

**Management continued to focus during July 2021 on meeting deadlines regarding production and distribution of its 60+ new products. Management has actively recruited and continues to interview influencers and managers to build out our Nass Valley Direct recruiting capability. We have implemented an automated webinar funnel to continually recruit Nass Valley Direct associates.**

1. Describe and provide details of any new products or services developed or offered.

**Nass Valley Gateway Ltd via its brand Nass Valley Gardens has launched its new lineup of 60+ products. These products are bath and beauty items, hair care products, skin cream, anti-aging creams, plus gummies, tinctures, essential oils, soft-gels, and smokables, including Delta-8, for humans. Nass Valley Gardens also offers new pet products including a paw salve for pets’ irritated paw pads. Nass Valley has developed a line of no-THC hemp cigarettes for national distribution. These products have been available in all sales channels since early July of 2021.**

1. Describe and provide details of any products or services that were discontinued.

**NONE**.

1. 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 issuer has signed a new PR agency called Red Flag PR. They are not a related party and are paid a monthly fee for their public relations and marketing services.**

**The Issuer has also signed a contract with Verb, an application developer to design and build an app for our Nass Valley Direct platform. This will allow Nass Valley to better communicate and disseminate relevant and daily digital content with its sales associates nationwide. Verb is not a related party. Management has identified an additional CBD manufacturer in FL and has contracted them to fulfill the new 60+ products throughout the product development and manufacturing steps. Management has also contracted with Herb and Edge, two digital publications to access their audiences and drive content and advertising. Neither are related parties. Management has, as well, contracted with Shark Discoveries, a leading national driver of consumer brands, to create high quality content and advertising materials within certain high volume channels such as Hulu, Ruku, Amazon, NetFlix, and other closed subscription audiences for brand awareness while growing Nass Valley’s conversion rates by leveraging their existing partners’ sales channels. They are not a related party.**

1. 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.**

1. 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. (Nass Valley still intends to divest its subsidiary Pro-Thotics Technologies Inc and is engaged in ongoing negotiations with a potential buyer.)**

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

**Management anticipates sales to continue to ramp up in Q3 2021. NVG has developed a new line of 60+ pet and human products which will require new sales channels and therefore a continuous flow of acquiring and retaining new and also losing existing customers, both B2C and B2B.**

1. 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.

**Management bought two new domain names:** [**www.nassvalleygardens.com**](http://www.nassvalleygardens.com)**. and** [**www.nassvalleygarden.com**](http://www.nassvalleygarden.com) **and will continue to buy domain names for extensions such as the new application for Nass Valley Direct.**

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

**NONE.**

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

**NONE.**

1. 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.**

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

**Management has come to an agreement in principal with PBCM to convert the $450K note dated 7/4/18 and all accrued interest of approximately $265K to common “A” shares in Nass Valley Gateway Ltd.. Details of the conversion are still being discussed currently but the principal agreement has been made.**

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

**NONE.**

|  |  |  |  |
| --- | --- | --- | --- |
| **Security** | **Number Issued** | **Details of Issuance** | **Use of Proceeds(1)** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

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

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

**NONE.**

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

**As per the Press Release dated August 4th, 2021, Director Darren Palestine resigned to pursue other business opportunities. The BoD did appoint two new Directors, Jeff Rogers and Troy Dooly. The ongoing search is still being conducted for a new CFO as of this date.**

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

**Though the Federal Farm Bill of 2018 allowed for the cultivation, product development, and the transportation of hemp across state lines, and sales of hemp-based products as long as they are produced within the letter of the law. There have been various legal challenges on the state level concerning the legality of sales and/or the manufacturing of hemp-based products. Subsequently, NVG is constantly reviewing revised federal and state legislation that may positively or negatively affect the Issuer’s ability to manufacture, distribute, transport, or sell products federally and within certain states.**

**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: **August 5th, 2021**

MICHAEL SEMLER   
Name of Director or Senior Officer

*“Michael Semler”*   
Signature

CEO/Director   
Official Capacity

|  |  |  |
| --- | --- | --- |
| ***Issuer Details***  **NASS VALLEY GATEWAY Ltd**. | For Month Ended: **July 31th, 2021** | Date of Report  **21/08/06** |
| Issuer Address  **422 Richards Street, Ste 170** | | |
| City/Province/Postal Code  **Vancouver, BC V6B 2Z4** | Issuer Fax No.  **N/A** | Issuer Telephone No.  **(609) 651-0032** |
| Contact Name  **MICHAEL SEMLER** | Contact **Position - CEO** | Contact Telephone No.  (**609) 651-0032** |
| Contact Email Address  **Michael.s@nassvalleygateway.com** | Web Site Address  **www.nassvalleygateway.com** | |