

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: 24,548,202

Date: August 6, 2014

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.

Nass Valley is focused on establishing production facilities to demonstrate its green technologies – the M-Wave wood drying technology (the “M-Wave System”) and its emission-free energy converting and waste disposal system (the “Enviro-X System”). The Company is committed to operating and commercializing the two complementary technologies through its subsidiaries: M-Wave EnviroTech Inc. (“MWE”), Global Environomic Systems Corp. (“GSC”), respectively. The Company is in preliminary negotiations with a possible customer in the USA for the possibility of a joint venture for its Enviro-X Units.

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”.

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

Unfortunately, the Company's first installed shingle demonstration unit based on the M-Wave System was completely destroyed on September 23rd of 2013, due to a fire within the production facility of MWE's joint venture partner, Imperial Cedar Products Ltd. ("ICP") in Maple Ridge, British Columbia, Canada, where the unit was installed (see Progress Reports of Feb. and Mar., 2013). MWE will presently not be able to continue the trial-runs of cedar shingles or prove the efficiency of the M-Wave System for custom drying of soft and hard wood products used in the housing construction industry.

Although the M-Wave Mod BC01-01 unit has proven that the technology is viable, the unfortunate loss of the MWE-Unit prevented the Company from demonstrating the previously initiated efficiency improvements and the full scope of other drying applications.

At the present time the Company is focusing in marketing the Enviro-X System for its subsidiary Global Environomic Systems Corp. and is presently in serious negotiations with large wood-waste and oil-waste producers for the installation of an Enviro-X Unit to convert wood waste into marketable green commodities.

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.

None

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.

None.

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.

The Company's Board of Directors (the "Board") has appointed Andrew von Kursell, a Director of the Company, as acting CFO on a temporary basis until a suitable replacement for the CFO position can be found.

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.

None

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Warrants	1,363,042	Bonus warrants on long-term loans granted by Merfin Management Limited. The warrants have a term of five years from the date of issuance and an exercise price of \$0.10.	N/A

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

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

During the month of July 2014, the Company borrowed \$6,000 from Merfin Management Limited. The loan bears an annual interest of 8.50%.

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. Although the Company's first "M-Wave Unit" for JV-BC01 had been financed, there can be no assurance that the Company will be able to obtain the required financings for future development and sales of its new production units on acceptable terms. 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: August 6, 2014

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

Issuer Details Name of Issuer Nass Valley Gateway Ltd.	For Month End July 31, 2014	Date of Report YY/MM/DD 2014/08/06
Issuer Address 120B-12820 Clarke Place		
City/Province/Postal Code Richmond, B.C.	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@3xgmm.com	Web Site Address www.nassvalleygateway.ca	