

Form 51-102F3

Material Change Report

Item 1. Name and Address of Company

Nass Valley Gateway Ltd. (the “Company”)
1140-13700 Mayfield Place
Richmond, BC
V6V 2E4

Item 2. Date of Material Change

September 15, 2015

Item 3. News Release

The News Release dated September 15, 2015 was disseminated via Canada Newswire and posted on the CSE website.

A copy of the News Release is attached as Schedule “A”.

Item 4. Summary of Material Change

Nass Valley Gateway Ltd. (the “Company” or “Nass Valley”) announced the closing of a non-brokered private placement and the execution of a Definitive Agreement that qualifies as a “fundamental change”, as defined by the Canadian Securities Exchange (“CSE”), and would affect control of the Company.

The Company has received subscriptions for 3,500,000 units for total proceed amounting to \$350,000. All securities issued pursuant to this private placement are subject to a four-month hold period following the closing date. The proceeds from the private placement will be used for a first-phase payment of the acquisition of S.R. Haddon Industries Ltd. and for general working capital, including the repayment of its outstanding loans.

Merfin Management Limited (“Merfin”), one of the Nass Valley’s controlling shareholders, has subscribed for an aggregate of 1,775,000 units of the private placement. Since Mr. Dieter Peter is a Director and CEO of Nass Valley, Merfin’s participation would be considered a “related party transaction” as defined under Multilateral Instrument 61-101. Due to the size of Merfin’s private placement participation and the overall market conditions for junior startup companies in relation to the Company’s market capitalization, Nass Valley is relying on exemptions from the formal valuation and minority shareholder approval requirements that generally apply to related party transactions under applicable securities laws.

This Acquisition of Haddon qualifies as a Fundamental Change, as defined by policy 8 of the CSE, and will result in changes to share ownership that will affect control of the Company. Pursuant to the terms of the Definitive Purchase Agreement between the Company and S.R. Haddon Industries Ltd. (“Haddon”), and subject to regulatory approval, Nass Valley will acquire Haddon as a wholly-owned

subsidiary, including its business projects and intellectual properties, in exchange for the issuance of 23,000,000 common shares of Nass Valley as payment to the Shareholders of Haddon.

The acquisition of Haddon will result in a change of business and the Company will change its name to S.R. Hadden Industries Ltd. and adopt 'HDD' as its new trading symbol. Two of the four present board members of Nass Valley will step down and Haddon will nominate three new directors to join the board. Post-acquisition, it is anticipated that Mr. Simon Thurlow will be elected the new President of the Company and Mr. Harold Morris will be Chief Financial Officer.

Item 5. Full Description of Material Change

The Private Placement

The Company has closed the private placement, which is a prerequisite for the acquisition of Haddon and is subject to regulatory approval, for the sale of 3,500,000 security units ("Units") for total proceeds amounting to \$350,000. Each Unit consists of one common share and one share purchase warrant ("Warrant") which is exercisable for a period of one year from the date of approval at a price \$0.20 per Warrant. All securities issued pursuant to the private placement are subject to a four-month hold period following the date of regulatory approval.

The Company will use the proceeds from the private placement for a first phase payment of the acquisition of Haddon and for general corporate working capital, including the repayment of its outstanding loans. The Company will pay aggregate finders' fees of \$4,000 in cash.

Merfin, as one of the Nass Valley's controlling shareholders, has subscribed for an aggregate of 1,775,000 units of the PP. Since Mr. Dieter Peter is a Director and CEO of Nass Valley, MRF's participation would be considered a "related party transaction" as defined under Multilateral Instrument 61-101. Mr. Peter and Merfin jointly hold presently 44.81% of Nass Valley's outstanding shares and post-closing of the PP they will hold jointly 45.46%. After regulatory approval for the Acquisition and the share exchange, the combined shareholdings of Mr. Peter and Merfin in Nass Valley's stock will be 23.41%. Due to the size of Merfin's private placement participation and the overall market conditions for junior startup companies in relation to the Company's market capitalization, Nass Valley is relying on exemptions from the formal valuation and minority shareholder approval requirements that generally apply to related party transactions under applicable securities laws.

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101") stipulates that, in the context of a related party transaction, if a material change report is filed less than 21 days before the expected date of the closing the transaction, an explanation is to be provided why the shorter period is reasonable or necessary in the circumstances. The Company's management and the Board of Directors ("Board") believe that, due to the nature of the transaction, the relationship amongst the parties and the small number of parties involved, the negotiation and preparation of the legal documentation and the obtaining of any necessary approvals should proceed. Accordingly, the Board believes that, notwithstanding the approval date, it is reasonable that this News Release be filed as of September 15, 2015.

According to Multilateral Instrument 61-101, related party transactions require formal valuation and minority shareholder approval unless the related party transactions satisfy certain exemptions, which in the current case will be pursuant to section 5.5 (g) and section 5.7(1) (e) of Multilateral Instrument 61-101 related to a Company issuing securities to a related party due to financial hardship.

The Acquisition of S.R. Haddon Ltd.

The Acquisition of Haddon qualifies as a “fundamental change”, as defined by policy 8 of the CSE, and will result in changes to share ownership that will affect control of the Company. On May 20, 2015, the Company entered into a comprehensive Letter of Intent Agreement (“LOI”) for the exclusive right to acquire Haddon as a wholly-owned subsidiary for up to 23,000,000 common shares of the Company at a trading price of \$0.02 per share (“Acquisitions Shares”). Subsequently, in June 2015, the Company executed a Definitive Purchase Agreement based on the parameters of the LOI. Nass Valley and Haddon have an arms-length relationship.

Pursuant to the terms of the Definitive Purchase Agreement (the “Definitive Agreement”), the Company will acquire Haddon, its business projects and intellectual properties in exchange for the issuance of 23,000,000 common shares (the “Acquisition Shares”) as payment to the Shareholders of Haddon. The Acquisition Shares will be placed in escrow pursuant to the terms of an Escrow Agreement. The Company will assume the US\$500,000 in work commitments, outlined in the Product Development Agreement between Haddon and Nano Biomed Inc. (the “Nano Agreement”), for the development of the transdermal patch products. The work commitment is payable in stages, the first of which is due on September 30, 2015. In accordance with the terms of the Nano Agreement, Nano Biomed Inc. (“Nano”) will receive a royalty of US\$0.50 for each transdermal patch-system sold.

Haddon is a private Company incorporated under the laws of the British Virgin Islands on August 8, 2014 and its four shareholders are citizens of the United Kingdom. Haddon is actively engaged in the research and development of transdermal delivery systems through a third party and plans to first develop patches suitable for the delivery of tetrahydrocannabinol (“THC”) and cannabidiol (“CBD”). On October 01, 2015, Haddon entered into a Product Development Agreement with Nano to develop and conduct animal testing of the transdermal patch products. Simon Thurlow is the President, Director and CEO of Haddon and presently holds 95.14% of all outstanding shares of Haddon.

Nano is a Florida corporation, with its principal office located in New York State, which seeks to develop transdermal patches operative to deliver via a proprietary nanoparticle drug delivery system at least $\Delta 9$ -tetrahydrocannabinol (THC) and cannabidiol (CBD) extracts. The Nano Agreement requires Nano to develop the patches and conduct pre-clinical (animal) studies as a prelude to human clinical trials.

In accordance to the terms of the Definitive Agreement, Merfin Management Limited (“Merfin”), a controlling shareholder of NVG, of which Mr. Dieter Peter is part owner and President, has agreed to transfer 4,000,000 share purchase warrants of NVG and grant an option to purchase 5,000,000 NVG Shares from its current shareholdings to Haddon. The option will be exercisable for 180 days subsequent to the effective date of regulatory approval. Post transaction, 41.99% of outstanding NVG Shares will be held by Haddon. The exercise of the 4,000,000 share purchase warrants and the option to purchase 5,000,000 shares from Merfin could result in Haddon controlling up to 50.18% of NVG post transaction issued and outstanding NVG Shares.

Upon regulatory approval of the Acquisition and the Share Exchange, the Company will change its name to S.R. Hadden Industries Ltd. and adopt ‘HDD’ as its new trading symbol. The Company will change its focus from the development of the waste disposal business to the development of transdermal patches for selective delivery of THC and CBD and Haddon, which will become a

wholly-owned subsidiary of the Company, will thereafter conduct the principal business of the Resulting Issuer.

The Definitive Agreement calls for a new Board of Directors, which will be comprised of two current members of the board and three new Directors to be nominated by Haddon. Two new officers will be appointed post-Transaction with Mr. Simon Thurlow becoming the President of NVG and Mr. Harold Morris becoming the Chief Financial Officer.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

The following Senior Officer of the Company is available to answer questions regarding this report:

Dieter Peter
Chief Executive Officer
(604) 278-1132

Item 9. Date of Report

Dated at Vancouver, BC, this 18th day of September 15, 2015.

NASS VALLEY GATEWAY LTD.

Per: "Dieter Peter"
Dieter Peter
President & CEO



NASS VALLEY GATEWAY Ltd.

Trading Symbols

CSE: NVG

Freiverkehrsmarkt, Frankfurt: 3NVN

Germany: WKN A1JVHM/

ISIN CA6315202029

NEWS RELEASE

The securities being offered have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to U.S. persons without registration or applicable exemption from the registration requirement of such Act. This release does not constitute an offer for sale of such securities in the United States of America.

Richmond, BC, Canada – September 15, 2015

Closing Non-Brokered Private Placement

Nass Valley Gateway Ltd. (the “Company or “Nass Valley”) wishes to announce that further to its News Releases dated May 26 and July 7, 2015, it has closed the private placement (“PP”) with a subscription of 3,500,000 security units (“Units”) for total proceeds amounting to \$350,000. Each Unit will consist of one common share and one share purchase warrant (the “Warrant”) exercisable within one year after the approval of the PP, at a price of \$0.20 per Warrant. All securities issued pursuant to the PP are subject to a four-month hold period following the date of regulatory approval.

The Company will use the proceeds from the PP together with the proceeds from the exercise of outstanding director and employee options and previously issued share purchase warrants (“Warrants”) for a first phase payment of the acquisition of S. R. Haddon Industries Ltd., a company incorporated under the laws of the British Virgin Islands, as well as for general corporate working capital, including repayment of its outstanding loans. In connection with the PP Nass Valley will pay aggregate finders' fees of \$4,000 in cash. The closing of the PP is a prerequisite for the Acquisition and is together with the Acquisition subject to the approval of the regulatory authorities.

Under the executed Definitive Agreement the Company will issue 23,000,000 common shares (“Acquisition Shares”) to the shareholders of S.R. Haddon Industries Ltd. (“SRH”) and assume US\$500,000 for the development of the transdermal delivery systems, payable in stages as a total payment to Nano BioMed Technologies Inc., including the Albert Einstein College of Medicine of New York. Under the Development Agreement between SRG and NBI, SRH would have to pay to NBI a royalty of US\$0.50 per transdermal patch-system sold.

In addition, Merfin Management Limited, a private holding company of which Mr. Dieter Peter is President and part-owner (“MRF”), agreed to transfer 4,000,000 Warrants to SRH’s four shareholders, who are citizens of the United Kingdom, as well as an option of 5,000,000 shares of MRF’s control position of Nass Valley’s stock including its voting rights for 180 days subsequent to the effective date of regulatory approval. As the transaction is considered to be a “substantial transaction”, SRH’s shareholders have acknowledged that the Acquisition Shares will be subject to applicable securities laws and regulations, including restrictions on resale relating to hold periods, insider trading and control persons, and released subject to the satisfaction of certain conditions as set forth in the Escrow Agreement.



Upon regulatory approval of the transaction, the Company will change its name to S.R. Hadden Industries Ltd. and has reserved “HDD” as its future trading symbol. Two of the present four board members will resign and three nominees of SRH have agreed to join the Company’s new Board consisting of five members. MRF, as one of the Nass Valley’s controlling shareholders, has subscribed for an aggregate of 1,775,000 units of the PP. Since Mr. Dieter Peter (“DP”) is a Director and CEO of Nass Valley, MRF’s participation would be considered a “related party transaction” as defined under Multilateral Instrument 61-101. DP and MRF jointly hold presently 44.81% of Nass Valley’s outstanding shares. Post-closing of the PP, DP and MRF will hold jointly 45.46% whereby the combined shareholdings of DP and MRF in Nass Valley’s stock after the Acquisition will be 23.41%. Due to the size of MRF’s private placement participation and the overall market conditions for junior startup companies in relation to the Company’s market capitalization, Nass Valley is seeking exemptions from the formal valuation and minority shareholder approval requirements that generally apply to related party transactions under applicable securities laws.

Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) stipulates that, in the context of a related party transaction, if a material change report is filed less than 21 days before the expected date of the closing the transaction, an explanation is to be provided why the shorter period is reasonable or necessary in the circumstances. The Company’s management and the Board of Directors (“Board”) believe that, due to the nature of the transaction, the relationship amongst the parties and the small number of parties involved, the negotiation and preparation of the legal documentation and the obtaining of any necessary approvals should proceed. Accordingly, the Board believes that, notwithstanding the approval date, it is reasonable that this News Release be filed as of today’s date.

According to Multilateral Instrument 61-101, related party transactions require formal valuation and minority shareholder approval unless the related party transactions satisfy certain exemptions, which in the current case will be pursuant to section 5.5 (g) and section 5.7(1) (e) of Multilateral Instrument 61-101 related to a Company issuing securities to a related party due to financial hardship.

The Issuer has received written confirmation and consent from four shareholders, representing 58.37% of the Issuer’s present outstanding shares, to the Board of Directors approval of the proposed “fundamental change” and the proposed funding.

The independent directors have determined that without the completion of the proposed private placement Nass Valley is in serious financial difficulty and this private placement will facilitate not only the Acquisition and improve its financial position but also increase the attractiveness for further necessary investments into the Company substantially. The independent directors of the Company, acting in good faith have determined that the terms of the transaction are reasonable under the circumstances of the Company and consider it to be in the best interests of the Company, and have recommended that the Board approve the proposed private placement.

The Board of Directors held its special meeting on August 17, 2015 to approve the PP and the related party transaction and approved both unanimously.

THE COMPANY SEEKS SAFE HARBOR.

For further information please contact:
Dieter Peter, President & CEO,
Phone: 604-278-1132

The CSE has not reviewed, and does not accept responsibility for the adequacy or accuracy of the contents of this news release.