



NASS VALLEY GATEWAY Ltd.

Trading Symbols

CSE: NVG

Freiverkehrsmarkt, Frankfurt: 3NVN

Germany: WKN A1JVHM/

ISIN CA6315202029

NEWS RELEASE

NASS VALLEY NO LONGER PURSUING THE ACQUISITION OF S.R. HADDON INDUSTRIES

Richmond, BC, Canada – July 5, 2016

Nass Valley Gateway Ltd. (the “Company or “Nass Valley”) wishes to announce that the previously announced acquisition of S. R. Haddon Industries Ltd. (“Haddon”) did not receive regulatory approval and is no longer being pursued.

As reported in the Company’s news releases dated May 26 and July 7, 2015, the Company and Haddon executed a Letter of Intent which subsequently became part of a Definitive Agreement executed in June 2015 (“Haddon-Agr”). Subsequent to the Canadian Securities Exchange’s (“CSE”) refusal to approve the original proposed transaction articulated within the Haddon-Agr, which was based on the value of Haddon in accordance with Haddon’s financial statements (“Haddon-FS”), Haddon started financing the development of its proposed project and obtained an independent revaluation of Haddon and its project including the CSE requested audit of the Haddon-FS documents audited by a Canadian audit firm under the IFRS rules for resubmission to the Stock Exchange for the approval of the transaction.

In spite of several verbal reassurances by Haddon’s CEO to the Company that the further development and patent application by Haddon’s project would not change any of the terms of the Haddon-Agr, the Company received on April 25, 2016 notice from Haddon’s legal advisor that Haddon would no longer accept the terms of the executed Haddon-Agr. Haddon also appointed an advisor (the “Senior-Advisor”) to renegotiate the agreed upon terms of the Haddon-Agr. The Senior-Advisor reconfirmed in May 2016, via several written statements, that the terms of the Haddon-Agr would not be accepted by Haddon unless they are substantially changed. The Company also received proposals from Haddon’s Senior-Advisor that it deems to be unacceptable and firmly believes that the proposed terms are not in the best interest of the Company and its shareholders. Nass Valley’s attorney advised the Company and Haddon’s Canadian attorney that the agreement has not become effective as it did not meet the CSE’s requirement for listing approval.

Nass Valley will review other qualifying projects for adding value to the Company and its investors.

More information on the acquisition of Haddon can be found in the Company’s Form 7 – Monthly Progress Reports, which can be viewed on the CSE’s website at <http://thecse.com> or contact the Company at 604-278-1135.

THE COMPANY SEEKS SAFE HARBOR.

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

Corporate Office
Mayfield Business Centre
1140-13700 Mayfield Place
Richmond, B.C. V6V 2E4

Phone: (604) 278-1135
Fax: (604) 278-1139
Email: info@nassvalleygateway.com