

NASS VALLEY GATEWAY LTD.

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INFORMATION CIRCULAR

(As at February 28, 2017, except as indicated)

Nass Valley Gateway Ltd. (the “Company” or “Nass Valley”) is providing this Information Circular and a form of proxy in connection with management’s solicitation of proxies for use at the special meeting (the “Meeting”) of the Company’s shareholders to be held on April 4, 2017 and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the “Management Proxyholders”).

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person’s name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Some shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a "Nominee"). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners" ("NOBOs"). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("OBOs").

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting, but rather has distributed copies of the Meeting materials to the Nominees for distribution to NOBOs.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting Materials unless their Nominee assumes the costs of delivery.

NOTICE-AND-ACCESS

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under NI 54-101.

REVOCABILITY OF PROXY

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered shareholder, his attorney authorized in writing or, if the registered shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only registered shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least 7 days before the Meeting, arrange for their Nominees to revoke the proxy on their behalf.**

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value, of which 31,751,977 shares are issued and outstanding. Persons who are registered shareholders at the close of business on February 28, 2017 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company, except the following:

<i>Name</i>	<i>No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly</i>	<i>Percentage of Outstanding Shares</i>
MerFin Management Limited ⁽¹⁾	11,894,833	37.46%

⁽¹⁾ MerFin Management Limited is a private holding company, controlled equally by two trusts, whose trustees are Dieter Peter and Vera Kaiser, respectively.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

The Company does not make personal loans or extensions of credit to its directors or executive officers. As at February 28, 2017, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or any of its subsidiaries which is owing to the Company or any of its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries,

in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

No management functions of the Company or subsidiary are performed to any substantial degree by a person other than the Directors or executive officers of the Company or subsidiary.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

Independence of Members of Board

The Company's Board currently consists of five Directors, two of which are independent based upon the tests for independence set forth in National Instrument 52-110 ("NI 52-110"). Milo Filgas and James Holmes are independent. Dieter Peter is not independent as he is the CEO and President of the Company. Andrew von Kursell was interim Chief Financial Officer of the Company from June 17, 2014 until October 25, 2016. Mr. von Kursell ceased to be independent as set forth by NI 52-110 at that time. Eric Peter Kaiser is not independent as he is as of October 25, 2016 the interim CFO of the Company.

Management Supervision by Board

The present operations of the Company do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing

management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are, however, able to meet at any time without any members of management, including the non-independent Directors, being present. Further supervision is performed through the Audit Committee which is composed of a majority of independent Directors who meet with the Company's auditors without management being in attendance.

Risk Management

The Board of Directors is responsible for the adoption of a strategic planning process, the identification of principal risks and implementation of risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

The Audit Committee is responsible for the risk management items set out in the Audit Committee charter.

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
2. access to management and technical experts and consultants; and
3. a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code.

Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the appropriate industry segments are consulted for possible candidates.

Board Committees

As the Company was in the process of performing its due diligence for the acquisition of qualifying projects which would add value to the Company and its shareholders at the time, the Directors

determined not to appoint any Board Committees other than the Audit Committee. As the Directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of Directors, the Board will appoint a Human Resources and Corporate Governance Committee in due course.

The Company's objective is that Appointed Committees shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee. Each Committee will develop its charter and code of Conduct to be approved by the Board of Directors.

Assessments

The Board does not consider that formal assessments are useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees. The Board intends to implement formal assessments to assist in its review and in due course will conduct formal surveys of its Directors, the Human Resource and Corporate Governance Committee, when it is formed, on its assessment of the functioning of the Board and reports from each committee respecting its own effectiveness.

Expectations of Management

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Proposed Amendment of the Company's Articles

Background

The Company was incorporated on October 25, 2005 under the British Columbia *Business Corporation Act*. The Company became a reporting issuer in British Columbia and Ontario on February 26, 2007 and the common shares of the Company were listed on the Canadian Securities Exchange ("CSE") on March 9, 2007 under the trading symbol " NVGL", which was changed in September 2008 to "NVG" as a consequence of the new trading symbol system adopted by the CSE. As of October 5, 2007, the Company's common shares are co-listed on the "Open Market" of the Frankfurt (Germany) Stock Exchange and are trading under the symbol "3NVN". The Company's common shares are also traded on the Third Market Segment known as Freiverkehr on the Berlin-Bremen Stock Exchange.

Between 2010 and 2012, the Company acquired the rights to two green-technology systems, an emission- free energy converting and waste disposal system and a wood drying technology, for its subsidiaries Global Environomic Systems Corp. ("GSC") and M-Wave EnviroTech Inc. ("MWE"), respectively, and also started negotiations for the exploration and development of geo-thermal energy via its subsidiary, Nass Energy Inc.

In order to keep its focus and financing efforts for green energy technologies separate from its mining and exploration activities and concentrate solely on the commercialization of the technologies, the Company transferred the rights of its option to the Kirkland Lake exploration properties to its subsidiary, Kirkland Precious Metals Corp. ("KPM") (subsequently renamed "The Eelleet Network Corp." ("TEN")) and completed a spin-off of KPM into a separate reporting exploration company via a plan of arrangement.

As the Company's efforts to finance a production plant based on its GSC technology system were not successful and its pilot plant based on the MWE technology was completely destroyed by a disastrous fire in 2013 (as reported in the Company's monthly report dated Oct. 4, 2013), management investigated projects within the bio-tech industry.

On October 16, 2014, the Company announced that it had entered into a letter agreement granting the Company the exclusive right to acquire a corporation actively involved in the development of medicinal cannabis industry. This letter agreement was subsequently terminated on Feb 10, 2015 due to failure to satisfy conditions precedent to completion.

On May 27, 2015 the Company announced in a news release that it had entered into a letter agreement ("LOI") granting the Company the exclusive right to acquire a target company ("Target-A") to develop transdermal delivery systems through a contracted third party ("Research-Co") to develop patches suitable for the delivery of tetrahydrocannabinol ("THC") and cannabidiol ("CBD").

On July 07, 2015 the Company announced that it had executed the Definitive Agreement ("Target-A Def-Agr"), dated June 15, 2015, with Target-A based on the terms of the LOI.

As the Company's acquisition of Target-A under the terms of the Target-A Def-Agr was considered a "Fundamental Change" under the rules of the CSE, the trading of the Company's stock was halted on August 18, 2015 until the approval or discontinuance of the transaction. In June 2016, Target-A informed the Company that it wanted to renegotiate the already executed agreement. As the Fundamental Change did not receive regulatory approval, the Company was able to discontinue further negotiation with Target-A. As a consequence of NVG's public announcement on July 5, 2016, the Company's stock resumed trading on July 6, 2016.

Since July, 2016, the Company has been evaluating qualifying projects to add value to the Company for the benefit of its shareholders. The Company completed its due diligence on several potential qualifying target projects during the last year and rejected two more of them as the Board of Directors determined that an integration of those targets would not have been in the best interest of its shareholders.

On February 15, 2017, the Company further entered into a Definitive Asset Purchase Agreement (the "DAP-Agr") to acquire 100% of the assets of IXI Treasury Holdings Limited ("ITHL") including all of the issued shares of ITHL shareholders (the "**ITHL Transaction**"). ITHL is a private company incorporated under the Companies Ordinance, Chapter 32 of the Laws of Hong Kong on July 24 2012. In 2016, ITHL acquired 40% interest in a Brazilian Government Treasury Bond ("Assets-ITHL") with a confirmed "Face Value" of five billion Brazilian Reals. The reported value of the Assets-ITHL in ITHL's audited financial statements for the period ended December 31, 2016 is USD 625,660,025.

In accordance with the policies of the CSE, the ITHL Transaction is subject to shareholder approval and the Company will obtain the written consent of shareholders holding 54.71% of the Company's outstanding shares in favour of the ITHL Transaction.

In accordance with the terms of the DAP-Agr, Nass Valley will consolidate its share capital, including all outstanding common shares, options and warrants, at ratio of two (2) pre-consolidated common shares for one (1) post-consolidated common share. Subsequent to regulatory approval of the DAP-Agr, the Company will issue two Series of convertible preferred Class A shares ("Pref-A Shares"), series-1 and series-2, with a deemed value of C\$5.00 per Pref-A Share for an agreed upon discounted asset value of US\$300 million and equating to a defined Assets-ITHL value of approximately C\$400 million.

ITHL and its shareholders have agreed that all Pref-A Shares [Series one(1) and Series two(2)] will have no voting rights, will be converted only upon prior approval of the CSE and that the Pref-A Shares will be issued in stages following agreed upon milestones:

- subsequent to the approval of the CSE, NVG will issue 40,000,000 Pref-A Shares, Series-1 ("Pref-A1 Shares") based on an initial deemed value of C\$200,000,000, representing 50% of the discounted total Assets-ITHL, convertible into common shares of Nass Valley at a conversion ratio of one to one (1:1);
- ITHL's shareholders will arrange a bond financing of C\$2,000,000 ("Bond-1"), or a private placement in the same amount, within 120 Banking Days after Regulatory Approval;
- upon closing of Bond-1, Nass Valley will issue an additional 40,000,000 Pref-A Shares, Series-2 ("Pref-A2 Shares"), having the same rights as the Pref-A1 Shares. The number of Pref-A2 Shares will represent the balance of the total discounted asset value of C\$400,000,000 and the deemed value will also be C\$5.00 per Pref-A2 Share. The Pref-A2 Shares will be convertible into common shares of Nass Valley at a conversion ratio of (1:1) and will be convertible at any time subsequent to the regulatory approval but only if the combined conversion of all Pref-A shares issued to the shareholders of ITHL do not trigger an RTO and only upon prior approval of the CSE;
- the shareholders of ITHL have acknowledged that the Nass Valley shares resulting from the issuance of the conversion of the Pref-A1 and Pref-A2 Shares may be escrowed as a request by the CSE and be subject to certain conditions as set forth in the Escrow Agreement; and
- upon the issuance of the Pref-A2 Shares ITHL will arrange a second funding via a bond ("Bond-2") issue, or a mutually agreed upon alternative funding, in the amount C\$3,000,000 in order to provide the Resulting Issuer with the agreed upon working capital within 6 months from the Regulatory Approval.

At the request of the Company, and in line with the rules of the CSE, the trading of its stock was halted on February 8, 2017 pending news of the signing of the DAP-Agr and regulatory approval by the CSE.

The Preference Shares

The Company is proposing to amend its Notice of Articles and Articles (the "Amendment") to allow for the creation and issuance of the convertible preference shares 'A' ("Pref-A Shares") to facilitate the acquisition of projects, including the acquisition of ITHL, that would add value to the Company

and its shareholders. The Pref-A Shares will have no maximum number, no par value, no voting rights and the holders of the Pref-A Shares shall not be entitled to receive notice of, nor to attend or vote at, any meeting of the shareholders. The Pref-A Shares will be convertible into common shares of the Company on a one-for-one (1:1) basis.

The Board is of the view that approving the Amendment will be beneficial to the Company and its shareholders through the facilitation of the acquisition of new projects that add value to Company and recommends that the Shareholders approve the Amendment.

Therefore, at the Meeting, shareholders will be asked to pass a special resolution in the form set out below. In order for the Amendment to become effective, the special resolution must be passed, with or without variation, by at least 66-2/3% of the eligible votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting.

“UPON MOTION IT WAS RESOLVED as a special resolution that:

- I. the authorized share structure of the Company be altered by the creation of an unlimited number of preferred convertible Class A shares without par value and an unlimited number of preferred convertible Class B shares without par value;
- II. the Articles of the Company be amended by inserting the following as Article 27:

“27.0 Special Rights and Restrictions attached to Preferred Convertible Class-A Shares and/or Class-B Shares of different “Series”

27.1 Definitions for these Special Rights and Restrictions

- (a) **“Acquisition”** means the acquisition of a Target as defined in the Acquisition Agreement and approved by the Regulatory Authorities.
- (b) **“Acquisition Agreement”** means an executed agreement between the Company and Vendor(s) and approved by the Company’s Board of Directors in accordance to the rules and conditions of the applicable Regulatory Authorities.
- (c) **“Acquisition-Consideration(s)”** means the convertible Pref-A Shares and/or Pref-B Shares, issued by the Company to the Vendor(s) at a certain Pref-Share-Price negotiated between the Company and the Vendor(s) and defined within a duly executed Acquisition Agreement.
- (d) **“Acquisition Price”** means the negotiated price for an Acquisition agreed upon within a duly executed Acquisition Agreement”.
- (e) **“Class-A”** identifies a certain class of Pref-Shares identified by a capital letter “A” as an affix which is placed after the stem of a word “Pref-“, to be issued by the Company to the Vendor(s) as consideration for an Acquisition, at a certain Pref-Share-Price, Conversion-Ratio, and Conversion Period agreed upon in an interrelated, duly executed Acquisition Agreement and certain Special Rights and Restrictions referred to in sub-section 27.2(a).
- (f) **“Class-B”** identifies also a certain class of Pref-Shares identified by a capital letter “B” as an affix, which is placed after the stem of a word “Pref-“, to be issued by the Company to the Vendor(s) as consideration for an Acquisition, but at a Pref-Share-Price, Conversion-Ratio,

and Conversion Period, different from the “Class-A” Pref-Shares, which shall also be defined within an interrelated Acquisition Agreement as agreed upon between the Company and future Vendor(s) and with its Special Rights and Restrictions referred to in sub-section 27.2(b).

- (g) **“Conversion-Date”** means the date the Pref-A Shares are converted into common shares of the Company pursuant to and in accordance with an Acquisition Agreement and approved by the Regulatory Authorities.
- (h) **“Conversion Period”** means the time period at which the Pref-A and/or Pref-B Shares can be converted as defined within the Acquisition Agreement.
- (i) **“Conversion-Ratio”** means the negotiated ratio at which the Pref-A or Pref-B Shares are converted into common shares of the Company in accordance to the Acquisition Agreement.
- (j) **“Effective-Date”** means the Business Day defined in the Acquisition Agreement as the day at which the Acquisition Agreement including Acquisition-Considerations will become effective.
- (k) **“Pref-Share(s)”** means convertible preferred shares of Class-A or Class-B issued by the Company as Acquisition-Consideration in certain Series and Special Rights and Restrictions defined under Section 27.2.
- (l) **“Pref-Share-Price”** means the deemed price per Pref-Share of Class-A or Class-B defined within an interrelated Acquisition Agreement, which will determine the number of Pref-Shares to be issued in relation to the Acquisition Price.
- (m) **“Regulatory Authorities”** means the primary Stock Exchange on which the common shares of the Company are listed and the relevant Securities Commissions within Canada.
- (n) **“Series”** means that a different Series can be assigned to each of the Class-A or Class-B Pref-Shares, which will be numerically identified by “1, 2, 3...” as suffix placed after the identifying alphabetical digit of the Class-A or Class-B, whereby all Series of the same Class will have the same Pref-Share-Price and, Conversion-Ratio, but vary only by different Effective Dates and/or Conversion Date(s).
- (o) **“Target”** refers to a targeted company, targeted asset(s) or targeted project for an Acquisition by the Company.
- (p) **“Vendor(s)”** means and shall include an individual, a corporation, a partnership, a limited liability company, a limited liability partnership, a joint venture, a trust, an unincorporated association, a government or political subdivision or agency thereof or any other entity.

27.2 Special Rights and Restrictions of “Pref-A Shares” and/or “Pref-B Shares”

- (a) All convertible preferred shares of Class-A shall have no maximum number and no par value and have the special rights and restrictions defined below attached to them. Each convertible preferred Class-A share, including each Series of Class-A, will be issued as Acquisition Consideration for an Acquisition in accordance to the terms of the Acquisition Agreement. The Class-A of the convertible preferred shares (“Pref-A

Shares”) is defined under paragraph 27.1 and will have the following special rights and restrictions attached to them:

- (1) the holders of the convertible Pref-A Shares shall be entitled to request notice of and to request to attend, but not vote at, any meeting of the shareholders of the Company;
 - (2) the convertible Pref-A Shares of any Series have “No” voting rights;
 - (3) the convertible Pref-A Shares, issued to the Vendor(s), shall have the deemed value per Pref-A Share as defined within a duly executed Acquisition Agreement as defined above and will entitle its owner to convert the Pref-A Shares into common shares of the Company, at a Conversion-Ratio defined within a duly executed Acquisition Agreement;
 - (4) the convertible Pref-A Shares shall be convertible by the holders of the Pref-A Shares into common shares of the Company on the Conversion-Date set pursuant to the conditions of a duly executed Acquisition Agreement as defined above; and
 - (5) any Series of convertible Pref-A Shares that is, or is deemed to be, converted, pursuant to an Acquisition Agreement, shall be cancelled and may not be reissued.
- (b) All convertible preferred shares of Class-B shall have no maximum number and no par value and have the special rights and restrictions defined below attached to them. The Pref-Share-Price, Conversion-Ratio, and Conversion Period may differ from the Class-A Pref-Shares as defined under paragraph 27.1. The convertible preferred Class-B shares, including each Series of Class-B, will be issued as Acquisition-Consideration for an Acquisition in accordance to the terms of the Acquisition Agreement. The Class-B of the convertible preferred shares (“Pref-B Shares”) is defined under paragraph 27.1 and will have the following special rights and restrictions attached to them:
- (1) the holders of the convertible Pref-B Shares shall be entitled to request notice of and to request to attend, but not vote at, any meeting of the shareholders of the Company;
 - (2) the convertible Pref-B Shares of any Series have “No” voting rights;
 - (3) the convertible Pref-B Shares, issued to the Vendor(s), may have a deemed value per Pref-B Share as defined within a duly executed Acquisition Agreement as defined above and will entitle its owner to convert the Pref-B Shares into common shares of the Company, at a Conversion-Ratio defined within a duly executed Acquisition Agreement;
 - (4) the convertible Pref-B Shares shall be convertible by the holders of the Pref-B Shares into common shares of the Company on the Conversion-Date set pursuant to the conditions of a duly executed Acquisition Agreement as defined above; and

- (5) any Series of convertible Pref-B Shares that is, or is deemed to be, converted, pursuant to an Acquisition Agreement, shall be cancelled and may not be reissued.”
- III. the board of directors of the Company, without further notice to or approval of the shareholders of the Company, may decide not to proceed with the foregoing amendments or otherwise give effect to this special resolution, at any time prior to the foregoing becoming effective; and
- IV. any one or more of the directors and officers of the Company be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, including as may be required to give effect to the true intent of this resolution.”

The full text of the Company’s Articles will be available for review at 1140-13700 Mayfield Place, Richmond, B.C. V6V 2E4, during normal business hours up to the date of the Meeting and at the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at 1140-13700 Mayfield Place, Richmond, British Columbia, V6V 2E4, to request copies of the Company’s financial statements and MD&A.

Financial information is provided in the Company’s comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 28th day of February, 2017.

APPROVED BY THE BOARD OF DIRECTORS
OF NASS VALLEY GATEWAY LTD.

“Dieter Peter”
DIETER PETER
Chief Executive Officer