NASS VALLEY GATEWAY LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

June 30, 2018 and 2017

(Expressed in Canadian Dollars)

(Unaudited)

NASS VALLEY GATEWAY LTD.

Contents

Nass Valley Gateway Ltd.
Condensed interim statements of financial position
(Expressed in Canadian Dollars)

	Note	June 30 2018 (Unaudited)	December 31 2017 (Audited)
		$	$
ASSETS			
Current assets			
Cash and equivalents	5	18,968	38,368
Marketable securities	6	264	264
Amounts receivable from related parties	7	69,019	66,481
		88,251	105,131
Non-current assets			
Reclamation bond		3,000	3,000
		91,251	108,131
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		1,829	614
		1,829	614
Shareholders' equity			
Share capital	8	3,246,123	3,216,971
Share based payment reserve		592,640	575,710
Deficit		(3,749,341)	(3,685,164)
		89,422	107,517
		91,251	108,131

Nature and Continuance of Operations (Note 1)
Subsequent event (Note 11)

These condensed interim financial statements were approved and authorized for issue by the Board of Directors on August 28, 2018 and were signed on its behalf:

"Dieter Peter"
Dieter Peter, Director

"Andrew von Kursell"
Andrew von Kursell, Director

(The accompanying notes are an integral part of these condensed interim financial statements)

Nass Valley Gateway Ltd.
Condensed interim statements of comprehensive loss

(Expressed in Canadian Dollars)
(Unaudited)

	For the three months ended June 30		For the six months ended June 30	
	2018	**2017**	**2018**	2017
	$	**$**	**$**	$
Revenue	-	-	-	-
Expenses				
Accounting and legal	**13,999**	16,259	**24,259**	25,559
Investor relation	**-**	703	**54**	1,771
Loan interest expenses and bank charges	**72**	43	**142**	129
Marketing and promotion	**-**	-	**-**	5,380
Office expenses	**1,218**	1,837	**2,849**	3,300
Rent	**-**	900	**-**	900
Share-based payments	**7,309**	9,930	**16,930**	13,147
Transfer agent and filing fees	**14,591**	3,715	**19,265**	9,027
Wages and salaries	**-**	4,466	**703**	8,767
Loss before other items	**(37,189)**	(37,853)	**(64,202)**	(68,880)
Other items				
Interest revenue	**-**	-	**25**	25
Net loss and comprehensive loss	**(37,189)**	(37,853)	**(64,177)**	(68,855)
Net loss per share, basic and diluted	$ **(0.00)**	(0.00)	**(0.00)**	(0.00)
Weighted average number of shares outstanding	**31,751,977**	31,751,977	**31,751,977**	31,751,977

(The accompanying notes are an integral part of these condensed interim financial statements)

Nass Valley Gateway Ltd.
Condensed interim statements of changes in equity
For the six months ended June 30, 2018 and 2017
(unaudited)
(Expressed in Canadian Dollars)

		Share Capital				
	Note	Number of shares	Amount	Share based payment reserve	Deficit	Total
			$	$	$	$
Balance, January 1, 2017		**31,751,977**	**3,216,971**	**547,751**	**(3,573,560)**	**191,162**
Share-based payments	8(c)	-	-	**13,147**	-	**13,147**
Comprehensive loss		-	-	-	**(68,855)**	**(68,855)**
Balance, June 30, 2017		**31,751,977**	**3,216,971**	**560,898**	**(3,642,415)**	**135,454**
Balance, January 1, 2018		**31,751,977**	**3,216,971**	**575,710**	**(3,685,164)**	**107,517**
Share-based payments	8(c)	-	-	16,930	-	16,930
Comprehensive loss		-	-	-	(64,177)	(64,177)
Cash received in advance for exercise of warrants			29,152	-	-	29,152
Balance, June 30, 2018		**31,751,977**	**3,246,123**	**592,640**	**3,749,341**	**89,422**

(The accompanying notes are an integral part of these condensed interim financial statements)

Nass Valley Gateway Ltd.
Condensed interim statements of cash flows
(Expressed in Canadian Dollars)
(Unaudited)

	Six months ended June 30	
	2018	2017
	$	$
Cash flows from operating activities		
Net loss for the period	**(64,177)**	(68,855)
Items not affecting cash:		
Share-based payments	**16,930**	13,147
	(47,247)	(55,708)
Changes in non-cash working capital items:		
Increase in amounts receivable due to related parties	**(2,538)**	(15,217)
Increase in accounts payable and accrued liabilities	**1,215**	11,959
	(48,570)	(58,966)
Cash flows from financing activities		
Cash advance for exercise of warrants	**29,152**	-
Decrease in cash and equivalents	**(19,418)**	(58,966)
Cash and equivalents, beginning of the period	**38,386**	150,973
Cash and equivalents, end of the period	**18,968**	92,007

Supplemental cash flow disclosures:		
Taxes paid	**-**	-
Interest paid	**-**	-

(The accompanying notes are an integral part of these condensed interim financial statements)

1. NATURE OF OPERATIONS AND GOING CONCERN

Nass Valley Gateway Ltd. (the "Company" or "NVG") is incorporated under the laws of British Columbia, Canada and its principal business activities include the acquisition and exploration of mineral properties in Ontario and British Columbia, Canada. The Company's shares are listed on the Canadian Securities Exchange ("CSE") trading under the symbol "NVG". The principal business address of the Company is 170-422 Richards Street, Vancouver, BC, V6B 2Z4.

On February 8, 2017, the Company entered into a binding Letter of Intent with IXI Treasury Holdings, Limited ("ITHL" or "Vendor"), a Company incorporated under the Laws of Hong Kong, and on February 15, 2017, the Company further entered into a Definitive Asset Purchase Agreement (the "DAP-Agr") to acquire 100% of IHTL in exchange for the issuance of 80,000,000 convertible preferred shares with a deemed value $5.00 per share (the Pref-A Shares) in two phases, subject to regulatory approval (the "Approval"). Under the DAP-Agr the vendor committed to a total financing of $5,000,000 in two phases (the "Funding") either through a private placement or by placing corporate bonds issued by the Company. As the audited financials of ITHL were not provided by the Vendor, the Company terminated the arrangement with ITHL.

On March 22, 2018 the Company announced that it has entered into Definitive Acquisition and Share Exchange Agreement ("DASE") with Advanced Bioceutical Limited ("ABL"), and its wholly owned subsidiary Pro-Thotics Technologies Inc. ("PTI").

Under the conditions of the DASE-Agr and upon Regulatory Approval, the Issuer will acquire a 100% ownership interest of ABL including its wholly owned subsidiary, PTI, and in exchange, the Company will issue an aggregate of 400,000,000 shares equal to 89.27% of its fully paid and non-assessable Shares.

ABL is engaged in the sale of Durable Medical Equipment ("DME") and Cannabidiol ("CBD") with zero THC content for internal use including CBD infused skin, bath and body care products.

As the former shareholders of ABL will own and control a majority of the common shares of the Company after the proposed transaction, the transaction will be considered a reverse takeover and will be accounted as a continuation of the assets and operations of ABL and its subsidiary, PTI, together with recapitalization of ABL together with a listing transaction. The proposed transaction is also subject to shareholder approvals.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and presentation

These condensed interim financial statements have been prepared under IFRS in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the Financial Reporting Interpretations Committee ("IFRIC"). These interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements and notes thereto as of and for the year ended December 31, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Statement of compliance and presentation (continued)

The interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the annual audited financial statements for the year ended December 31, 2017. The adoption of new accounting standards has had no material impact on the financial statements.

3. ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

Standard is effective for annual periods beginning on or after January 1, 2019:

IFRS 16 Leases – In June 2016, the IASB issued IFRS 16 – Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. Early adoption is permitted if IFRS 15 has also been adopted. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

4. CHANGES IN ACCOUNTING POLICIES

In July 2014, the IASB released the final version of IFRS 9 "Financial instruments", representing the completion of its project to replace IAS 39 "Financial Instruments: Recognition and Measurement". The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new "expected credit loss" model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting.

The Company has adopted IFRS 9 retrospectively, effective January 1, 2018. The adoption of this standard does not have a material impact on the Company's financial statements, as such it did not result in any adjustment in the amounts previously recognized in the financial statements.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial liabilities.

(Expressed in Canadian Dollars)

5. CASH AND EQUIVALENT

	June 30, 2018 (Unaudited)	December 31, 2017 (Audited)
	$	$
Bank & petty cash	**13,968**	33,368
Term deposit	**5,000**	5,000
	18,968	38,368

6. MARKETABLE SECURITIES

	June 30, 2018	December 31, 2017
The Eelleet Network Corp.		
Number of shares	**8,802**	8,802
	$	$
Book value	**264**	264
Fair value	**264**	264
Unrealized loss on marketable securities	**-**	-

In a prior year, the Company received 8,802 common shares of the Eelleet Network Corp. as shares for debt settlement. The fair value of the shares was $0.35 per share for a total of $3,081 at initial recognition.

As at June 30, 2018 the fair value of these shares was $0.03 per share for a total of $264 (2017 - $264).

7. RELATED PARTY TRANSACTIONS

Key Management compensation

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Directors members. Key management compensation consists of the following for the six months ended June 30, 2018 and 2017 were $nil.

The amounts due from (to) related parties were as follows:

	June 30, 2018 (unaudited)	December 31, 2017 (audited)
	$	$
Due from related parties:		
The Eelleet Network Corp.	23,386	22,993
Mineral Hill Industries	44,254	43,466
	67,640	66,459
Amounts outstanding to related parties included in accounts payable		
Mineral Hill Industries	342	347

7. RELATED PARTY TRANSACTIONS (continued)

Advances from related party

The amounts due from related parties are non-interest bearing, unsecured and due on demand.

These transactions are measured at exchange amounts, which are the amounts of consideration negotiated, established and agreed to by the related parties.

8. SHARE CAPITAL

a) Authorized share capital

At June 30, 2018, the authorized share capital of the Company comprised of an unlimited number of common shares at no par value as well as an unlimited number of classes A-1 and A-2 of convertible preference shares at no par value. All issued and outstanding shares are fully paid.

b) Issue of common shares

At June 30, 2018, the issued and outstanding common shares were 31,751,977.

During the periods ended June 30, 2018 and December 31, 2017, the Company did not issue any common shares or convertible preferred shares.

c) Stock options

The Company grants stock options to employees, directors, officers, and consultants as compensation for services pursuant to its Stock Option Plan (the “Plan”). Options issued pursuant to the Plan must have an exercise price greater than or equal to the “Market Price” of the Company’s stock on the grant date less applicable discounts. Options have a maximum expiry period of up to five years from the grant date and are subject to the minimum vesting requirements, as determined by the Board of Directors.

The number of options that may be issued under the Plan is limited to no more than 10% of the Company’s issued and outstanding shares on the grant date. Stock options granted to directors vest at a rate of 50% on the grant date and the balance on the first anniversary of the grant date. Stock options granted to employees vest at a rate of 50% on the first anniversary of the grant date and the balance on the second anniversary of the grant date.

On December 5, 2017 the Company granted 560,000 stock options to directors, officers and employees. Share-based compensation of $13,029 was recorded. The weighted average fair value of the 560,000 options was $0.06. The fair value of these options was determined on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions: Risk free interest rate of 1.93%, the expected life of 3 years, expected volatility of 247%, forfeiture rate of 0% and expected dividends of $Nil.

On February 6, 2017 the Company granted 85,000 stock options to a director. Share-based compensation of $3,217 was recorded. The weighted average fair value of the 85,000 options was $0.06. The fair value of these options was determined on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions: Risk free interest rate of 1.43%, the expected life of 3 years, expected volatility of 268%, forfeiture rate of 0% and expected dividends of $Nil. These options were cancelled on January 5, 2018.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (continued)

c) Stock options (continued)

The following tables summarize the continuity of the Company's stock options:

Expiry Date	Exercise Price $	Dec 31 2017 (audited)	Granted	Exercised	Expired/ Forfeited	Cancelled	June 30 2018 (unaudited)
April 28, 2018	0.10	372,500	-	-	372,500	-	-
October 25, 2019	0.10	545,000	-	-	-	-	545,000
February 6, 2020	0.10	85,000	-	-	85,000	-	-
December 5, 2020	0.10	560,000	-	-	-	-	560,000
		1,562,500	-	-	457,500	-	1,105,000
Weighted average exercise price							**$0.10**

Expiry Date	Exercise Price $	Dec 31 2016 (audited)	Granted	Exercised	Expired/ Forfeited	Cancelled	Dec 31 2017 (audited)
April 28, 2018	0.10	372,500	-	-	-	-	372,500
October 25, 2019	0.10	545,000	-	-	-	-	545,000
February 6, 2020	0.10	-	85,000	-	-	-	85,000
December 5, 2020	0.10	-	560,000	-	-	-	560,000
		917,500	645,000	-	-	-	1,562,500
Weighted average exercise price							**$0.10**

Details regarding the options outstanding as at June 30, 2018 are as follows:

Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (years)	Weighted Average Grant Date Fair Value	Number of Options Exercisable
$ 0.10	545,000	1.32	$ 0.04	545,000
$ 0.10	560,000	2.43	$ 0.06	450,000
$ 0.10	1,105,000	1.93	$ 0.05	995,000

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (continued)

d) Share purchase warrants

On September 16, 2016 the Company amended the expiry date of 3,500,000 warrants from October 16, 2016 to October 16, 2020 and the exercise price from $0.20 per warrant to $0.11. Since there was no value allocated to those warrants upon issuance, no adjustment has been made on the modification.

The following tables summarize the continuity of the Company's share purchase warrants:

Expiry Date	Exercise Price	December 31 2017	Granted	Exercised	Expired/ Cancelled	June 30 2018
May 1, 2017[(1)]	$0.10	11,450,000	-	-	-	11,450,000
July 25, 2019	$0.10	1,363,042	-	-	-	1,363,042
Oct 16, 2016	$0.11	3,500,000	-	-	-	3,500,000
		16,313,042	-	-	-	16,313,042
Weighted average exercise price						$0.10
Weighted average contractual remaining life (years)						0.4

(1) 11,450,000 warrants due to expire May 1, 2017 were extended on April 28, 2017 for the length of time the Company's shares are halted on the Exchange.

Expiry Date	Exercise Price	December 31 2016	Granted	Exercised	Expired/ Cancelled	Dec 31 2017
May 1, 2017[(1)]	$0.10	11,450,000	-	-	-	11,450,000
July 25, 2019	$0.10	1,363,042	-	-	-	1,363,042
Oct 16, 2016	$0.20	3,500,000	-	-	-	3,500,000
		16,313,042	-	-	-	16,313,042
Weighted average exercise price						$0.10
Weighted average contractual remaining life (years)						0.80

(1) 11,450,000 warrants due to expire May 1, 2017 were extended on April 28, 2017 for the length of time the Company's shares are halted on the Exchange.

9. FINANCIAL INSTRUMENTS AND RISKS

The Company's financial instruments consist of cash and equivalents, marketable securities, amounts receivable from related parties, accounts payable and due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and equivalents, marketable securities, receivables and due from related parties. The Company limits its exposure to credit risk on liquid financial assets through maintaining its cash and equivalents with high-credit quality financial institutions. Amounts due to and from related parties are discussed in Note 6.

Currency risk

The Company operates primarily in Canadian dollars and as such is not affected by the fluctuations of the Canadian dollar with other currencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. 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. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. 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.

Interest rate risk

The Company normally invests in short-term interest bearing financial instruments. There is a minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificate included in cash and equivalents as they are currently held in large financial institutions.

Fair value measurements of financial assets and liabilities

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.: as prices) or indirectly (i.e.: derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data.

(Expressed in Canadian Dollars)

9. FINANCIAL INSTRUMENTS AND RISKS (continued)

The fair values of cash and cash equivalents are determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. The Company believes that the recorded values of due to and from related parties and accounts payable, approximate their current fair values because of their nature and relatively short maturity dates or durations.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as of June 30, 2018 as follows:

	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	June 30, 2018 (unaudited)
Cash and equivalents	$ 18,968	–	–	$ 18,968

10. CAPITAL MANAGEMENT

Company's capital structure consists of shareholders' equity and related party loans. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly-liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the six months ended June 30, 2018. The Company is not subject to externally imposed capital requirements. The Company does not currently have adequate sources of capital to complete its business plan and ultimately the development of its business, and will need to raise adequate capital by obtaining equity financing through private placement or debt financing. The Company may raise additional debt or equity financing in the near future to meet its current obligations.

11. SUBSEQUENT EVENT

On July 17, 2018 the Company submitted a revised Listing Statement 2A to the CSE following initial comments by the Exchange and is awaiting further comments.