

FORM 7

MONTHLY PROGRESS REPORT

Name of CNQ Issuer: Nass Valley Gateway Ltd. (the "Company or Issuer").

Trading Symbol: NVGL

Number of Outstanding Listed Securities: 18,700,000

Date: June 4, 2007 for the month of May 2007

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 CNQ 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 CNQ.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 CNQ 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.

The Company is engaged in the business of exploring for industrial and base minerals in the Province of British Columbia. The Company's objective is to proceed with its plan for a comprehensive exploration program on its Nass Bay Project (formerly referred to as the Bay Point Project) in order to prove the viability for marketable products and reserves and to also locate and develop other resource properties of merit within North America.

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

Further to the Company's news release on March 23, 2007, Management completed the private placement on May 31, 2007. Management continues to hold regular meetings with key Nisga'a executives in the conduct of the Company's business in the Nass Valley. The Company is also continuing its negotiations with the Council of the Village of Gingolx to include certain Village lands into the Nass Bay Project (formerly referred to as the Bay Point Project).

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.

Nass Bay Project

No additional exploration work was completed on the Nass Bay Project (formerly referred to as the Bay Point Project) in May. Diamond drillcore from the Spring drilling program will be moved from the drillsites as soon as the snow melt permits, in order to complete geological logging and interpretation.

Kleanza Mountain Project

In early May, Nass Valley Gateway signed an option agreement to explore claims near Terrace, B.C. comprising the Kleanza Mountain project. The claims covered by the agreement include a known copper-silver prospect formerly known as the Lucky Jim Group or Alvija claims, which been worked sporadically since 1905.

The Company will be implementing an exploration program in June 2007 that will include geological mapping, prospecting, and possibly geochemical exploration programs with the objective of better defining the known mineralized zones, identifying new mineral showings, and defining drillhole targets.

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 provide 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.

None

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⁾
Stock Options Granted on May 4, 2007	45,000	Stock Options exercisable at \$0.31 for a term of five years, expiring on May 4, 2012	N/A

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

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

The following bridging loans were provided by related parties pending the completion of the Company's private placement announced on March 23, 2007 and which closed on May 31, 2007:

<u>Name of Related Parties</u>	<u>Amount of Loan</u>	<u>Interest Rate</u>
Merfin Management Ltd. ⁽¹⁾	\$74,000	8.5%
Mineral Hill Industries Ltd. ⁽²⁾	\$250,000	8.5%
Gitxatin Mhind World Link Inc. ⁽³⁾	\$100,000	8.5%
Total Loans	\$424,000	

(1) Merfin Management is a private holding company that owns approximately 10.23% of the outstanding shares of Mineral Hill Industries Ltd. that owns 7,250,000 shares of the Company. Merfin Management Ltd. is controlled equally by two trustees: Dieter Peter and Vera Kaiser.

(2) Mineral Hill Industries Ltd. owns 7,250,000 common shares (38.77%) of the Company and is also related by common directors.

(3) Gitxatin Mhind World Link Inc. is a company related by common directors and is also the Optionor that grants the Company the right to purchase up to a 75% interest in certain mineral claims located in Nass Bay, B.C.

16. Provide details of any changes in directors, officers or committee members.

There were no changes in the directors, officers or committee members except for the appointment of Nelson Clayton, Chester Moore and Willard Martin to the Advisory Committee of the Board (as announced in the news release on May 8, 2007).

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Risk Factors

Limited Operating History

The Issuer has no history of earnings. There are no known commercial quantities of mineral reserves on the Issuer's property.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Issuer may be affected by numerous factors which are beyond the control of the Issuer and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Issuer not receiving an adequate return of investment capital.

All of the claims to which the Issuer has a right to acquire an interest are in the exploration stage only and are without a known body of commercial ore. Development of the subject mineral properties would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

There is no assurance that the Issuer's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Issuer's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Issuer may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Issuer.

Environmental Regulations, Permits and Licenses

The Issuer's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Issuer intends to fully comply with all environmental regulations.

The current or future operations of the Issuer, including development activities and commencement of production on its properties, require permits from various, federal, provincial or territorial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under these laws by governmental agencies and may require that the Issuer obtain permits from various governmental agencies. There can be no assurance, however, that all permits which the Issuer

may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or such laws and regulations would not have an adverse effect on any mining project which the Issuer might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

To the best of the Issuer's knowledge, it is operating in compliance with all applicable rules and regulations.

No Commercial Ore

The property on which the Issuer's funds are to be expended do not contain any amounts of commercial ore. The Issuer's programmes are an exploratory search therefor.

Competition

The mining industry is intensely competitive in all its phases, and the Issuer competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Issuer's ability to acquire suitable properties or prospects in the future.

Management

The success of the Issuer is currently largely dependent on the performance of its officers. The loss of the services of these persons will have a materially adverse effect on the Issuer's business and prospects. There is no assurance the Issuer can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse affect on the Issuer and its prospects.

Fluctuating Mineral Prices

Factors beyond the control of the Issuer may affect the marketability of its possible products and materials discovered, if any. Product prices have fluctuated widely, particularly in recent years due to higher transportation cost. The effect of these factors cannot be predicted.

Resale of Shares

The continued operation of the Issuer will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Issuer is unable to generate such revenues or obtain such additional financing, any investment in the Issuer may be lost. In such event, the probability of resale of the shares purchased would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the global securities markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies 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. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Issuer in creating revenues, cash flows or earnings. The value of Common Shares distributed hereunder will be affected by such volatility.

Before the Qualification, there has been no public market for the Issuer's Common Shares. An active public market for the Common Shares might not develop or be sustained. The price of the Special Warrants was determined by negotiation between the Issuer and the Subscribers and this price will not necessarily reflect the prevailing market price of the Common Shares following the Qualification. If an active public market for the Common Shares does not develop the liquidity of a shareholder's investment may be limited and the share price may decline below the price the Special Warrants were purchased at.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Issuer. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (British Columbia).

Some of the directors and officers of the Issuer are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Issuer and their duties to the other companies on whose boards they serve, the directors and officers of the Issuer have agreed to the following:

1. participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
2. no commissions or other extraordinary consideration will be paid to such directors and officers; and
3. business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Issuer except on the same or better terms than the basis on which they are offered to third party participants.

Tax Issues

Income tax consequences in relation to the Common Shares will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers prior to subscribing for the Common Shares.

Dividends

The Issuer does not anticipate paying any dividends on its Common Shares in the foreseeable future.

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 CNQ 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 CNQ Requirements (as defined in CNQ Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated June 6, 2007.

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

Issuer Details	For Month End	Date of Report
Name of Issuer		YY/MM/D
Nass Valley Gateway Ltd.	May 31, 2007	07/06/06
Issuer Address		
575-1111 West Hastings Street		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver	(604) 685-2360	(604) 685-4170
Contact Name	Contact Position	Contact Telephone No.
Dieter Peter	Chairman & CEO	(604) 685-4170
Contact Email Address	Web Site Address:	
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