

# Canadian Nickel Company Limited

P.O. Box 12134, Nelson Square  
Suite 512, 808 Nelson Street, Vancouver, B.C. V6Z 2H2 • (604) 689-2247

82E/5E  
Vault Claims

824002 -

VIA COURIER TO MR. M. SIKULA

May 25, 1987

Mr. M.G. Hamelin  
Seven Mile High Resources Inc.  
675 Willowpark Road  
Kelowna, B.C.  
V1X 5H9

Dear Maurice:

Re: Canico - SMHR Agreement of May 1, 1986;  
Vault Claims, B.C., NTS 82E-5E

An additional ten holes were completed on the Vault property during March and April 1987 to explore the area of the gold and silver mineralization located by the 1986 drill program. The results of the 1986 program were released to you earlier.

Four of the ten holes just completed were drilled to investigate other showings and shear zones, and were not designed to intersect the known zone of mineralization. The six holes which penetrated the zone of mineralization intersected weak to strong gold and silver values in silicified tuff. The following table summarizes the drill intersections which exceed 1 g/t Au.

Hole	Section	Dip	Depth (m)	Intersection			g/t Au	g/t Ag	
				From	- To	m			
72401	840E	-70°	320	241.7	- 242.0	0.3	2.3	6.7	
				254.7	- 256.9	2.2	1.1	4.6	
				267.0	- 272.6	5.6	6.0	13.3	
				incl:	270.0	- 271.3	1.3	22.1	45.9
				279.0	- 281.2	2.3	2.4	4.7	
72402	664E	-50°	202				Weak Values		
72404	840E	-90°	301				Weak Values		
72405	840E	-45°	202	162.2	- 163.4	1.2	1.6	8.9	
72407	742E	-48°	194	75.9	- 76.3	0.4	4.4	19.7	
				83.5	- 83.8	0.3	1.9	14.6	

<u>Hole</u>	<u>Section</u>	<u>Dip</u>	<u>Depth (m)</u>	<u>Intersection</u>			<u>g/t Au</u>	<u>g/t Ag</u>
				<u>From</u>	<u>To</u>	<u>m</u>		
72408	767E	-63°	478	295.1 - 296.3	1.2	3.6	6.1	
				298.5 - 299.4	0.9	1.9	4.7	
				301.7 - 302.8	1.1	1.0	1.5	
				310.7 - 311.6	0.9	1.2	3.7	
				314.6 - 316.8	2.2	4.4	7.3	
				321.0 - 325.0	4.0	4.9	12.4	
				329.6 - 338.0	8.4	10.8	20.9	
				338.0 - 342.5	4.5	2.6	5.6	
				or 329.6 - 342.5	12.9	7.9	15.6	

The tuff unit, which belongs to the Lower Marama Formation, occurs above the trachyte flows of the Marron Formation, and below the dacites of the Upper Marama Formation. These Formations are of Eocene age. The tuff appears to dip from 40 to 50 degrees to the southeast.

Additional drilling is being planned to explore the mineralization located by the recent drill program.

Yours truly,  
CANADIAN NICKEL COMPANY LIMITED

  
W. Groeneweg

SEVEN MILE HIGH RESOURCES INC.  
675 Willow Park Road  
Kelowna, B.C. V1X 5H9

Telephone: (604)765-5677

PRESS RELEASE  
\*\*\*\*\*

May 26, 1987

— FAVOURABLE DRILLING RESULTS ANNOUNCED —

Maurice Hamelin, President of Seven Mile High Resources Inc., is pleased to announce the results of recent drilling on the Company's Vault claims near Okanagan Falls, B.C.

The drilling was conducted by Canadian Nickel Company Limited, the exploration subsidiary of INCO Limited, which has an option to acquire an interest in the property.

The drilling results are set out in the attached letter dated May 25, 1987 from Canadian Nickel Company Limited.

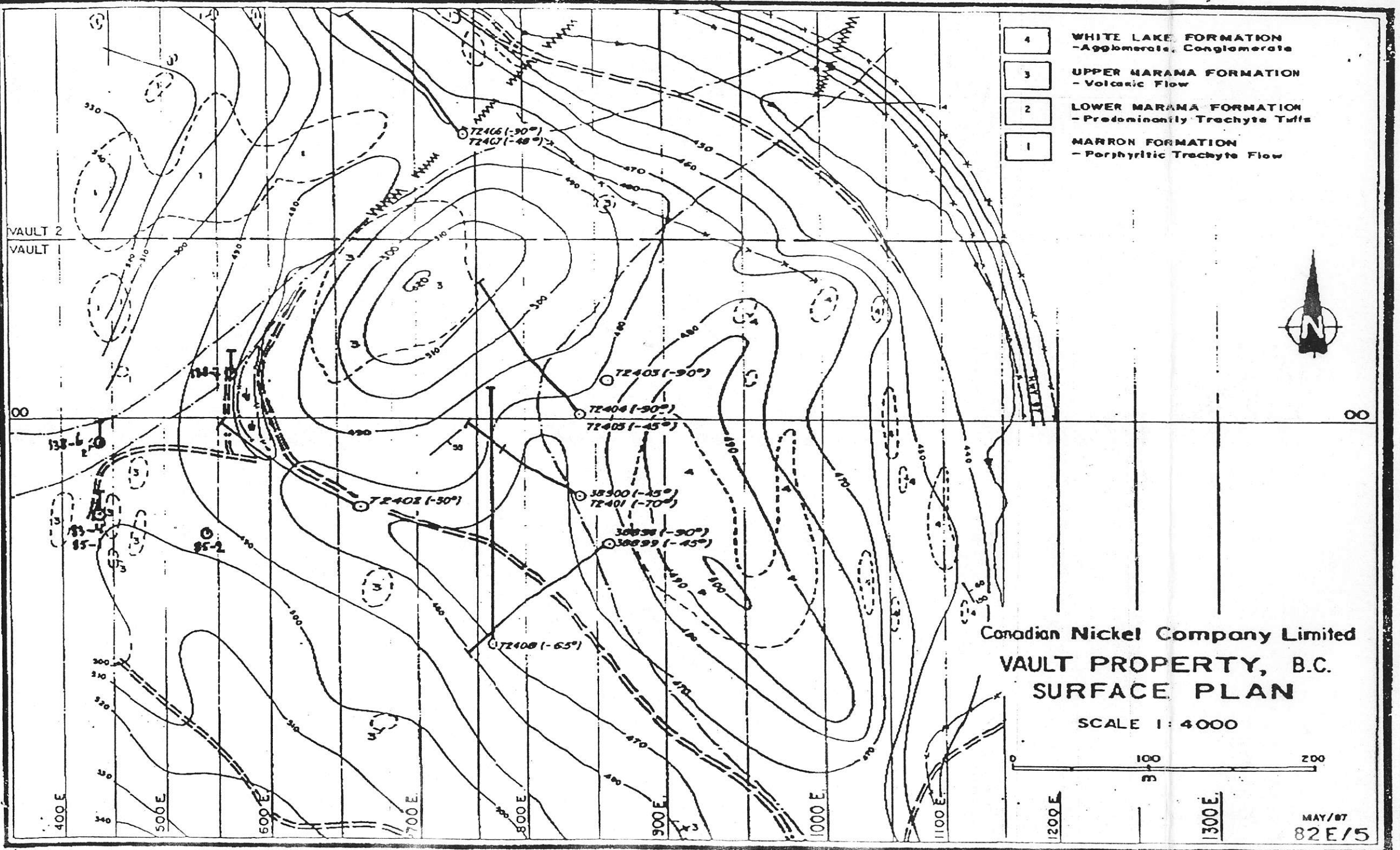
ON BEHALF OF THE BOARD OF DIRECTORS



Maurice Hamelin  
President

The Vancouver Stock Exchange has neither approved nor disapproved the contents herein.

LISTED ON THE VANCOUVER STOCK EXCHANGE \*\*\*\*\* TRADING SYMBOL SVH.

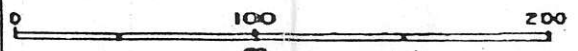


- 4 WHITE LAKE FORMATION  
- Agglomerate, Conglomerate
- 3 UPPER MARAMA FORMATION  
- Volcanic Flow
- 2 LOWER MARAMA FORMATION  
- Predominantly Trachyte Tuffs
- 1 MARRON FORMATION  
- Porphyritic Trachyte Flow

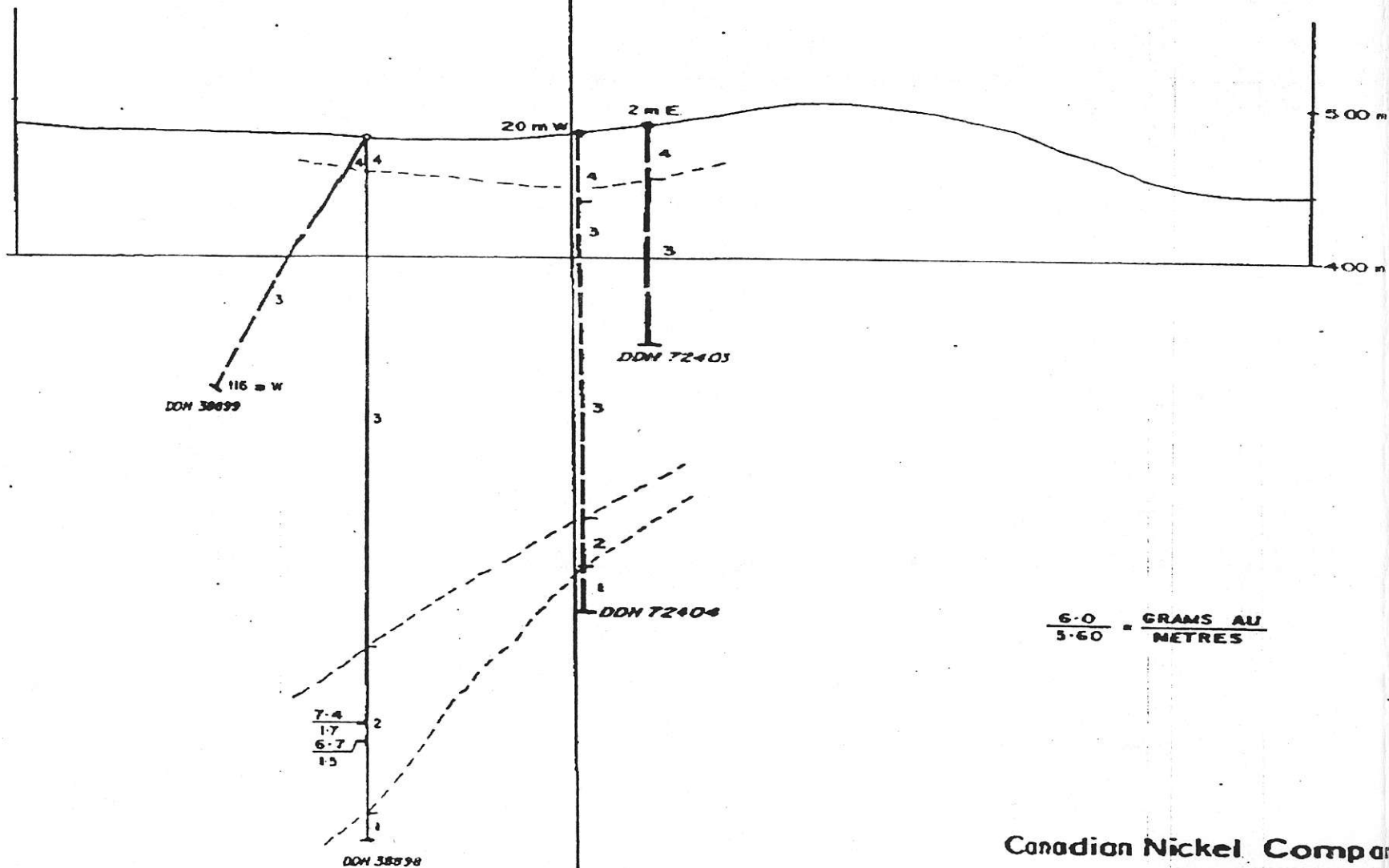


Canadian Nickel Company Limited  
**VAULT PROPERTY, B.C.**  
**SURFACE PLAN**

SCALE 1:4000



1200 E.  
1300 E.  
MAY/87  
82E/5

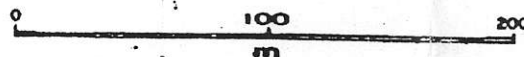


6.0 GRAMS AU  
5.60 METRES

- 4 WHITE LAKE FORMATION  
-Agglomerate, Conglomerate
- 3 UPPER MARAMA FORMATION  
-Volcanic Flow
- 2 LOWER MARAMA FORMATION  
-Predominantly Trachyte Tuff.
- 2b Trachyte Flow
- 1 MARRON FORMATION  
-Perphyritic Trachyte Flow.

Canadian Nickel Company Limited  
VAULT PROPERTY, B.C.  
860 E. Section

SCALE 1:4 000





## Seven Mile High Resources

PRESS RELEASE  
JULY 23, 1987

Maurice Hamelin, President of Seven Mile High Resources Inc. is pleased to announce that Canadian Nickel Company Limited, the exploration subsidiary of Inco Limited, which has an option to acquire an interest in the property located in O.K. Falls, B.C.

Inco has just completed surveying the claims of the known zone and will now systematically begin a further drilling program on Monday, July 27, 1987, to further prove up the find of the March/April 1987 drill program.

The following favorable results were announced on a May 26, 1987 press release:

Hole	Section	Dip	Depth (Ft)	Intersection		Feet	Oz/Ton	
				From (Ft)	to (Ft)		Au	Ag
72401	840 E	-70	1050	793	794	1	.067	.196
				835.4	842.6	7.2	.032	.134
				875.8	894.2	18.4	.17	.388
				INCL. 885.6	889.9	4.3	.64	1.33
				915	922.4	7.4	.07	.137
72405	840 E	-45	662.6	532	536	4	.047	.26
72407	742 E	-48	636.3	249	250.3	1.3	.13	.57
				273.9	274.9	1	.055	.426
72408	767 E	-63	1567.8	967.9	971.9	4	.10	.178
				979.1	982.1	3	.05	.137
				989.6	993.2	3.6	.029	.044
				1019.1	1022.1	3	.035	.108
				1031.9	1039.1	7.2	.12	.213
				1052.9	1066	13.1	.14	.362
				1081.1	1108.7	27.6	.31	.637
				1108.7	1123.5	14.8	.07	.164
OR 1081.1	1123.5	42.4	.23	.456				



## Seven Mile High Resources

.....(continued)

These exciting results have encouraged Canadian Nickel Company Limited to step up drilling. Results will follow as soon as they are available.

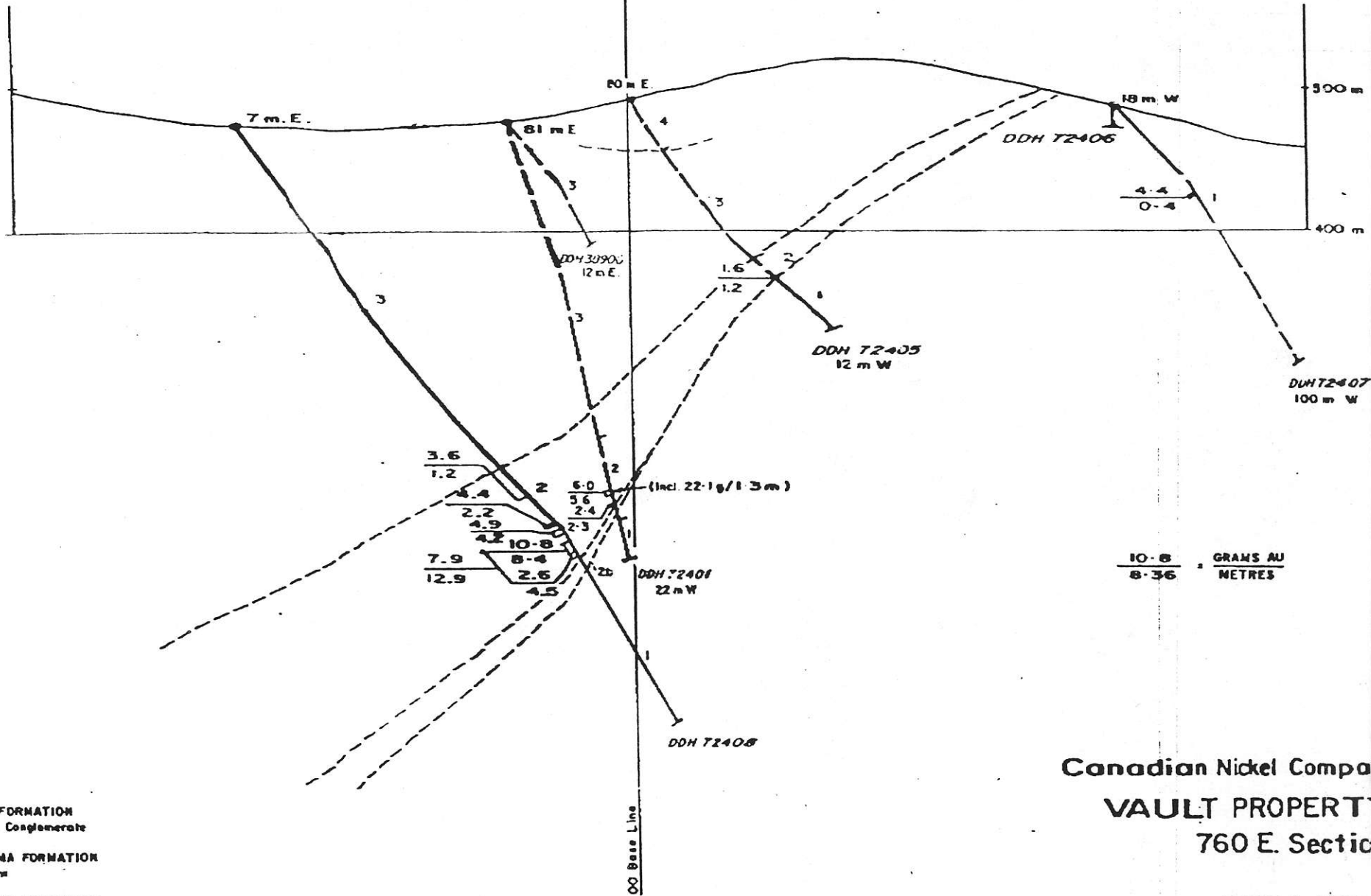
On Behalf of the Board of Directors

*Maurice Hamelin*

Maurice Hamelin  
President

Listed:	VSE
Trading Symbol :	SVH
Shares Outstanding:	2,200,000

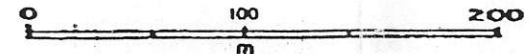
The Vancouver Stock Exchange has neither approved nor disapproved the contents herein:



- 4 WHITE LAKE FORMATION  
- Applomate, Conglomerate
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- 1 HARRON FORMATION  
- Porphyritic Trachyte Flow.

Canadian Nickel Company Limited  
**VAULT PROPERTY, B.C.**  
 760 E. Section

SCALE 1:4000





SEVEN MILE HIGH RESOURCES INC.  
675 Willow Park Road  
Kelowna, B.C. V1X 5B9

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PRESS RELEASE  
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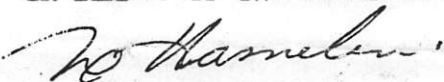
July 30, 1987

Maurice Hamelin, President of Seven Mile High Resources Inc. (the "Company") is pleased to announce that the Company has been able to purchase outright the lands on which the Company's Okanagan Falls, B.C. mining property is located.

The mining property, known as the Vault Claims, is being further drilled by Canadian Nickel Company Limited ("Canico"), the exploration subsidiary of Inco Limited. Canico has an option to acquire an interest in the Vault Claims. The latest drilling program commenced on July 27, 1987. The encouraging results of prior drilling by Canico in March/April 1987 were announced on May 26, 1987 and in subsequent updating News Releases.

The lands adjoin Highway 97. The purchase price for the lands of \$89,000. will be paid by the Company from cash on hand. The purchase of the lands will prevent difficulties which sometimes arise from the development of mining claims on lands, the surface rights of which are owned by other interests. The purchase of the lands is therefore of considerable benefit to the Company and this venture.

ON BEHALF OF THE BOARD OF DIRECTORS



Maurice Hamelin  
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.

Listed: VSE  
Trading Symbol: SVH  
Shares Outstanding: 2,200,000