

SEVEN MILE HIGH GROUP INC. (SVH-V)

WEST ZONE:

HOLE NO.	COORDINATES	DIP DEG	AZIMUTH DEGREES	INTERVAL FEET	LENGTH FEET	GOLD OZ/T
82776	130S/385E	-70	270	426.2 - 452.1	25.9	0.15
82784	164S/350E	-66	360	409.2 - 415.5	6.3	.13
82785	164S/350E	-77	360	497.0 - 508.0	11.0	.17

NORTH VEIN:

82782	100N/880E	-75	360	1067.7 - 1068.2	.5	.20
And				1090.6 - 1092.1	1.5	.12

PRELIMINARY VAULT ASSAYS - Clark Gilmour, president, reports Seven Mile High Group Inc., 40%, has received preliminary results from INCO LTD., 60%, on the Phase I drilling program at the Vault property located near Okanagan Falls, B.C. The program was designed to test two targets. First, six holes were drilled to test for a possible western extension to the Central epithermal zone. It was theorized this zone might be considerably closer to surface. Several holes hit the epithermal zone and results in one hole confirmed the gold-bearing epithermal zone occurs in the West zone at about 1/2 the depth of the Central zone. Two more holes were drilled to cut across the gold-bearing hole. They both confirmed the existence of the gold-bearing material. Holes 82776, 77, 79, 80 and 81 had either weak or no mineralization. Work was halted in this area to assess the implications of the find and to consider altering Phase II to include drilling in this area.

The second target was to test the North vein at depth and to further test the vein at surface by trenching. Previous estimates gave an estimated geologic reserve of 152,000 tonnes of 14 grams gold/tonne, or about 66,500 oz., on a vein about 3,500 feet long tested to a depth of 100 to 200 meters. Four test holes, two at each end of the vein structure, were drilled to test for an extension of the vein to a depth of 300 meters. One hole, 82782, intersected marginal gold-bearing material that was both below the vein average and of narrower width. The other holes, 82783, 86 and 87, intersected weak or no gold values. Trenching has now begun and should be completed within a month.

Upon completion of a drilling and trenching assessment, a redesigning and discussion of Phase II work will begin. It is likely the program will diminish or eliminate a bulk sampling program originally planned; however, more drilling will likely be done on the West epithermal discovery area. (SEE GCNL No.158, 16Aug90, P.2 FOR PREVIOUS INFORMATION)

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