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## Cantrell to earn interest in Candorado's Hedley property

WILLIAMS LAKE, BC—Candorado Mines Ltd. (COM:VSE) and Cantrell Resources Ltd. have signed an agreement whereby Cantrell can earn a 45% working interest in Candorado's Hedley project.

Cantrell will fund all development costs, including the final feasibility study. It is estimated that approximately C\$350,000 will be spent on the project in the next 14 months.

The Hedley project will process the old Nickel Plate mill tailings at Hedley, British Columbia, which consist of 3.1 million tons with a grade estimated to be 0.045 ounces of gold per ton.

Initial assay results have been received for 14 of the 400 samples that were taken recently in a drilling program completed on the two tailings piles. The preliminary

results conform very closely to the average grade that was previously projected for the piles.

In other Candorado activities, the company has re-negotiated an agreement with the previous owner of the Eldorado mine in Arizona and has obtained a postponement of payment of \$100,000 until February 1987.

A detailed report prepared by Adtec Mining Consultants Inc. expects a profit before taxes of approximately C\$260,000 for the company from revenues received by processing nearly 30,000 tons of broken ore reserves.

Peak working capital requirements are estimated to be in the range of C\$230,000. Candorado is negotiating a private placement to meet this requirement. ✱