



THE COBALT LODGE

Newsletter of the Cobalt Historical Society
Box 309, Cobalt, ON P0J 1C0 HeritageSilverTrail.ca
chs@heritagesilvertrail.ca

1903
Our History Shines
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Nipissing 96



Nip 96, August 2017

Early in November, the headframe on the 96 vein was removed closing this site on the Heritage Silver Trail. We hold our mining heritage near and dear to our hearts, and to watch this monument to the past come down is not easy for us.

The site has been slated for closure for several years due to safety concerns. Agnico Eagle, the

current owner of most of the mining property in Coleman Township, took steps to protect people from the hazards, as mandated by the Ontario Government.

Initially, Agnico erected a gate and berm at the road entrance and a fence at the site proper. These barriers, however, were subsequently removed by determined visitors. Late in 2016, drilling operations revealed subsidence underneath the parking lot at the visitor site. Agnico made plans to close the site completely by leveling all structures and removing all mining artifacts on the site, including a hoist.

In a meeting with Agnico, the Cobalt Historical Society arranged for the hoist to be transferred to the Right-of-Way Mine site. The remaining relics will be stored at the headframe at the corner of Highway 11 and 11B. While the community understandably regrets the loss, as do the representatives of Agnico and the board of the Cobalt Historical Society, public safety is top priority. The threat of collapse of the above ground structure, compounded by the threat of collapse of the ground immediately adjacent to the headframe, compelled the mining company to fully close the site.

AGNICO EAGLE



The History of Agnico Eagle in Cobalt

By Jean-Francois Doyon

This year, marks the 60th anniversary of the founding of Agnico Eagle. As people, when we reached this age we often reflect on our past. I would like to take this opportunity to do just that—share with you some of Agnico Eagle's history of and, more specifically, the beginning of Agnico because it all started in Cobalt.

In the early 1950s, mining activities restarted in the Cobalt mining camp as a result of an increase in demand for the mineral cobalt. Mining for cobalt allowed miners to explore new zones and along the way new silver veins were discovered which also contributed to the revival of the camp. In 1953, five mining companies (Silanco Mining and Refining Co., Cobalt Lode Silver Mines, Hellen Mining and Reduction Co., Gilgreer Mines, and Penn-Cobalt Silver Mines) decided to regroup their activities and became The Cobalt Consolidated Mining Corporation (CCMC), the pre-cursor to Agnico.

In 1957, CCMC was reorganized and renamed Agnico Mines Ltd. The name was an abbreviation of the major metals that were produced: **Ag** for Silver, **Ni** for Nickel and **Co** for Cobalt.

In 1957, Agnico had six operating mines. These were all former mines where new veins had been discovered: Agaunico located in North Cobalt along Temiskaming Lake, the Foster mine along Giroux Lake, as well as the Christopher, Cobalt Lode and Temiscaming mines all located in Coleman Township. The ore from these mines were sent to the new Penn Mill located on the shores of Giroux Lake that started operation in July 1957. This mill is still active today and is known as the McAlpine Mill owned by Sabin Metal Corporation (SMC).

continued

The History of Agnico Eagle in Cobalt

By Jean-Francois Doyon

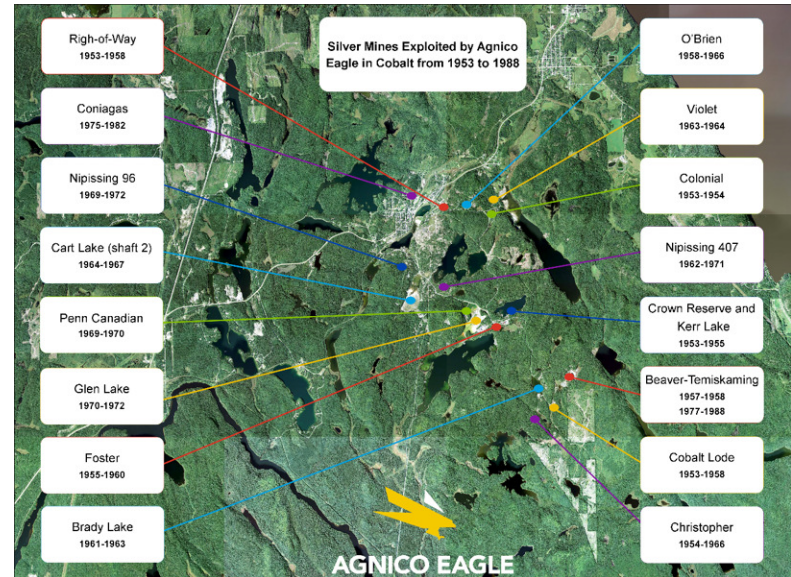
From 1957 to 1990, the geologists of the Cobalt Team with the help of persistent drillers were always able to find new silver veins around the former mines. This allowed for Agnico to produce silver in Cobalt for more than 30 years. In all, there were a total of 25 mines that were operated by both Agnico Eagle and CCMC. Agnico Eagle produced more than 26 million ounces of silver between 1957 and 1989.

In the 1970s, the silver production continued with the discovery of new veins at the Trout Lake mine in South Lorrain, Coniagas mine in Cobalt and Beaver-Temiscaming mines in Coleman Township. The Beaver-Temiscaming and Coniagas were able to continue to provide ore until the 1980s while other mines like the Castle mine in Gowganda and the Langis mine near New Liskeard continued to produce ore for the Penn mill until 1989.

In 1963, a significant event occurred at the management of the company. Paul Penna arrived as a Director and would become, a couple of years later, the President of the company until 1996. He is the one who gave Agnico-Eagle the vision, the values and the culture that we still have today. Mr. Penna was a businessman and a man with heart. He had a very personal style and an ability to communicate and empathize with his employees. He became legendary for the way he nurtured relationships with people in general and with investors and employees in particular. The employees were important to him. He treated them well and in return the employees liked to work at Agnico and were loyal to the company.

In 1987, Agnico-Eagle's annual report was a special edition commemorating the 25th anniversary of Paul Penna with the Company, the 30th anniversary of the company and the 85th anniversary of the silver discovery in Cobalt. A couple of stories from this report are showing how Paul Penna recognized the contribution of his employees in Cobalt. Let me share two of them with you.

Management's philosophy is to encourage and financially support the expertise of its senior staff. It was well known that there was silver in the bottom of Cobalt Lake. Mine operators had dumped tailings into the lake in the early days. But 'the million dollars lake', as it was called locally, had eluded at-



tempts to extract its silver. In 1966, under the direction of mine manager Gordon Kirk, Agnico began constructing a 1,000 ton reclamation plant on the lake's southeastern shore. The 200 acre lake was then lowered an incredible 20 feet and a barge was utilized to carry three 75 HP pumps which sucked the slurry of the tailings at a rate of 60 tons an hour. Working over three summers, Agnico extracted 607,000 ounces of silver worth of \$1,143,000 from 303,000 tons of waste material.

But the most daring and enduring operation began in 1971. Once the million dollar lake was conquered, Agnico prepared to challenge conventional wisdom. Chief geologist Brian Thorniley wanted to test a theory that the silver beyond the town of Cobalt was not limited to a depth of 300 feet. The experienced geologist believed there was a second layer of silver veins, over 1,500 feet from the surface, and that Cobalt's original producers had never exploited that lower level. (Some had looked, however, Temiscaming's



Approximately one million tons of tailings are contained in the bed of Cobalt Lake, containing an estimated average of four ounces of silver per ton.

shaft, the deepest in the Cobalt camp, had been lowered to 1,600 feet, but its early miners had not discovered any silver there.). Thorniley was given the green light to find the lower zone. It took more than a year and 3,000 feet of cross-cutting, under the dogged supervision of mine superintendant Armand Côté, but the theory finally became a reality: they found the lower contact. And since that time corresponding from 1973 to 1988, the company has taken 10 million ounces of silver from that lower zone.

Another episode of our history is worth mentioning. In 1970, the silver production was reaching an end at Shaft 96, Penn Canadian and Glen Lake and the future was not too optimistic for the company. But the perseverance of geologists and drillers paid off when a significant discovery was made at Trout Lake in the South Lorrain Valley. A rich silver vein 24 inches wide was encountered containing as much as 4,000 ounces of silver per ton in some areas. This vein was found by the driller Jack Laquerre who still lives in Nôtre-Dame du Nord and was known for many years as the best driller in Cobalt.

The Trout Lake mine allowed Agnico not only to continue the silver production until the Coniagas (in 1975) and the Beaver Temiscaming (in 1976) could take over the production but also provided significant revenue to the company to make it possible to acquire the Eagle Gold mine in Joutel in 1972. This is when Agnico Mines became Agnico Eagle Mines Ltd. This acquisition was immensely significant for the future of the company as the Eagle mine was in full production when the price of gold hit its highest price from 1979-1981 generating important profit for the company so it could re-invest in acquiring and developing project.

This is what allowed the company to invest in the Dumagami Mine in the Abitibi region of Quebec. The Dumagami mine later became the LaRonde mine, a property that contained a world-class gold deposit in addition to other base metals and that would allow the company to expand internationally as it is today.

After 1989 the price of silver remained low which constrained Agnico Eagle to put the Cobalt mines, the mill and the refinery on care and maintenance until the price of silver would go up again.

It remained low for so many years that in 1998, a business decision was made to focus only on gold. This is when the Penn mill was sold to SMC. The refinery was dismantled and reclamation work were done at other properties.

Today Agnico Eagle still owns over 200 properties in the Cobalt-Coleman mining camp. We remained present in the field in Cobalt as part of ongoing reclamation and monitoring program.

Even though Agnico Eagle had ceased producing silver from its mines in the Cobalt mining camp after more than 25 years, the company has not forgotten its roots and still remembers the contribution of its employees from Cobalt in the building of the company.

This why in 2015 there was a ceremony honouring past employees of the Agnico Eagle's Cobalt Silver Division. The company unveiled a plaque on the building where the former Agnico Eagle office was located for 30 years. This plaque commemorates the birth of Agnico-Eagle in Cobalt but is also dedicated to those men and women whose commitment, perseverance and spirit helped to transform Agnico into a leading international gold mining company.

During the same event, the company also donated \$1 million to the Historic Cobalt Legacy Fund. This Fund was established in 2014 as an endowment fund aimed at preserving Cobalt's historical past and cultural heritage. Revenues from Agnico-Eagle's gift of \$1 million are designated to support the Cobalt Public Library with providing annual operating grants to various cultural and heritage organizations that include the Cobalt Mining Museum, the Bunker Military Museum, the Classic Theatre of Cobalt and the Cobalt Heritage Silver Trail.



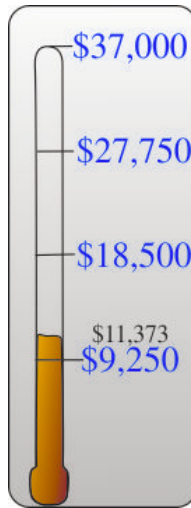
2015-Agnico employees at the Plaque installation and Fund creation.

Fund Raising Update

GREAT news regarding our fundraiser to fix the roof on the Right-of-Way Mine! We are now set up to accept your donations online! If you wish to send us an Interac e-transfer from your bank, please use our email

chs@heritagesilvertrail.ca

If you are local to Cobalt, your donations (cash or cheque payable to *Cobalt Historical Society*) can be left at the book store downtown, 50 Silver Street, across from the Fraser.



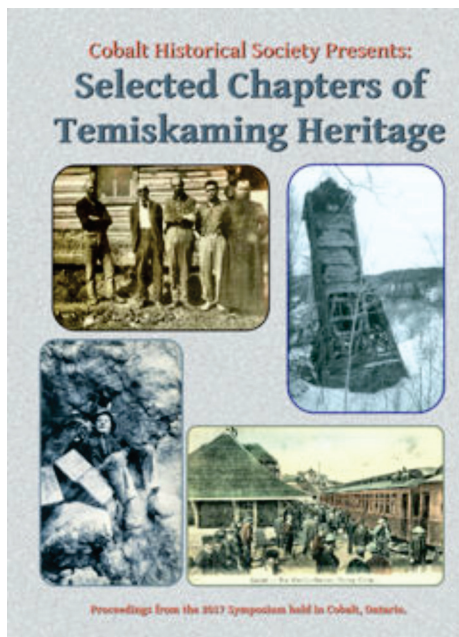
Annual General Meeting

Notice is given for the Annual General Meeting to be held Monday February 5th, 2018 at 10:30am at the Paul Penna (Cobalt) Library. All members welcome.

Selected Chapters of Temiskaming Heritage

While the symposium held June 3rd was a success, there were difficulties in the assembling of this book. Without going into excruciating detail, one delay after another has happened, and now we have passed the most difficult phase and the book will off to the printer. It turned out very well. But there is not enough time to get it back from the printer before the holidays. We know many were looking for this book to give during the holidays, and we are disappointed as well.

The first time any new project happens there are difficulties as people find out what is required. For the next symposium June 2nd, 2018, things should work more smoothly.



Bruce Taylor shares this poem he discovered in Volume 1, No 1 (September, 1951) of "Serving the North"- the newsletter of the George Taylor Hardware Limited. Lawrence Stadelman was a brother of Louisa Stadelman, who married W. A. Taylor, President of the George Taylor Hardware Limited.

SERVING THE NORTH

Little Old Town Cobalt

Little old town of shacks and rocks,
Home of my dreams and youthful walks,
Oft have I thought how nice t'would be
Were I a million miles from thee,
Others have thought so—many have gone,
Lucky are we who are still hanging on.

Many have gone where beauty's more grand,
Some to the city, some back to the land;
Others up north like the true pioneer,
None have forgotten, but that isn't queer.
Though far they wander, all do declare—
Naught can replace your little old square.

Little old town of shacks and rocks,
Queer little streets with slippery walks,
Oft have I climbed your many steep hills,
Oftener cussed their many near spills,
Strange though you be—little in size,
About you nothing is small otherwise.

Little old town that ever death mocks,
Oft have you died as the pessimist talks.
Still living on as I hope you may be,
After last rites have been said over me.
Little old town—may you always succeed,
Ever be kind to a stranger in need.

COBALT, CANADA

Jan 24th, 1924 Lawrence Stadelman.

Mr. Stadelman was the owner of the first stationery store in Cobalt, and carried on business uninterrupted till the day of his death July 20, 1951.

Submissions for the Newsletter are most welcome. We appreciate the care and timeliness of Jean Francois Doyon's and Bruce Taylor's additions to this newsletter. So if you have some piece of history to share please let us know.

Membership Renewals

A new membership form for your 2018 membership is enclosed with this newsletter. We hope you will continue with us. We're looking to accomplish bigger and better things.

Also stay current with our website and Facebook page.