

Keno Hill mining fights to survive

By JANE GAFFIN

Keno, the venerable old gentleman mine, refuses to die a natural death as long as a probable hundred million ounces of silver keep its heart beating. Yet, the federal government is bent on subjecting the mine to euthanasia.

I believe the mine deserves a dignified burial.

In a series of articles being published in the Star each Friday, I'm saying last rites and farewell to a great mine that served as the Yukon's lifeblood off and on for more than 80 years.

Here's Part 6.

Reviving the old silver caverns was a struggle, but the principals of Keno Hill Mining had engaged the best names in the business to accomplish the job.

Dr. William Smitheringale, who earned his doctorate from the Massachusetts Institute of Technology, was brought on board by ace mine developer Karl Springer to review Treadwell Yukon's old workings on Galena Hill.

The noted geologist recommended that Fred Connell of Conwest Explorations mine the Hector property. Connell, a prospector turned businessman, couldn't progress until he sorted out a legal snafu. He didn't own the Hector.

Claims are real property. It is common for heirs of a deceased owner to engage in court squabbles over the valuable mineral estates. To complicate matters, the heirs often live State-side.

Somehow, Connell finally gained full acquisition of mill, tramline, all buildings and 87 claims as assets for the recently formed Keno Hill Mining.

Smitheringale soon shifted from a consultant's role with Conwest Exploration to the position of geological adviser. He toiled over the riddles that had perplexed Livingstone Wernecke of Treadwell Yukon.

After remapping the geology on

Galena Hill, Smitheringale grasped a good picture of the faulting and uncovered a tapestry of veins jutting off from the known deposits.

It was Smitheringale's detailed geological work that ultimately led to Keno Hill Mining reopening the operation in 1947.

In January 1948, Keno Hill Mining was able to stand on its own geological feet. The principals refinanced the company into United Keno Hill Mines (UKHM) in time to enjoy the rewards of the booming '50s.

Lead and zinc prices skyrocketed. Once worthless, zinc and cadmium cruised into credit brackets. Keno Hill exploded into a havoc of staking posts, prospectors, promoters, opportunists, syndicates and junior companies.

Without a doubt, United Keno Hill Mines was heralded as North America's richest and most modern silver mine. It featured updated flotation methods to process the ore in the 250-ton-a-day concentrator that replaced the original 100-ton mill inherited from Treadwell Yukon.

The Mayo Road construction, completed in 1952, was a boon to reducing ore transportation costs, just as Thayer Lindsley of Ventures Ltd. had envisioned when he went ambitiously shopping for Treadwell Yukon's leftovers in 1941.

United Keno Hill invested a quarter of a million dollars in a fleet of red International truck-trailer units. Each one hauled 30 tons of bagged concentrates.

The trucks needed mechanics and partsmen to keep the rigs rolling. They kept the units serviced in the Keno Hill Transport garage in Whitehorse, and accountants and secretaries were needed to handle money and paperwork.

Countless drivers started their work careers on the Keno Hill run. Al Kulan, the multi-millionaire prospector, did a driving stint to feed his family prior to his mineral search paying off after the 1964 discovery of the Faro lead-zinc-silver deposit in the Anvil Range.

While roads spelled the end to the romantic era of sternwheelers, circa 1955-56, economical transportation was the key to profitability and longevity of the mines.

Before the Mayo Road was built, ore handling was a laborious task that resulted in exorbitant transportation costs. Ore was loaded at Elsa for the short trip to Mayo, off-loaded, then reloaded on sidestream riverboats for the short trip to Stewart Crossing.

Once there, ore was off-loaded from the shallow-draft riverboats and reloaded onto the larger Whitehorse-bound boats going up the Yukon River to be off-loaded at Whitehorse and reloaded on the train.

Now, ore concentrates could be trucked economically from Elsa to Mayo and on to railhead at Whitehorse. Then ore moved expediently over 176 kilometres of narrow gauge rail to ships docked at Skagway, Alaska, down the coast to Vancouver and inland by train to the smelter at Trail, B.C.

Even so, transportation on the Mayo Road was not without its difficulties. Herded by a protective wrecker, the Internationals lumbered over the federal government's contribution to Yukon mining.

"There were about 20 trucks to a convoy travelling 12 feet apart, even in ice fog," explained driver Harold Van Buskirk in a 1978 interview.

"If one guy stopped, everybody else ran into him. It took 12 hours exactly to go from Whitehorse to Mayo. We left at 8 p.m. and arrived at 8 a.m.—not 10 minutes before or after."

The Mayo Road intersected with the Alaska Highway near Whitehorse and was interrupted by three rivers—the Yukon, the Pelly and the Stewart. When seasonal conditions prevented the building of ice bridges before freeze-up, or it was too early for break-up to launch the ferries, the trucks rested for six-week intervals.

Soon, Fred Connell turned attention to asbestos in the Cassiar country of northern British Columbia and the Dawson area of the Yukon. In 1960, Conwest Explorations sold its control of United Keno Hill Mines to Ventures Ltd.

In turn, Thayer Lindsley's Ventures was dissolved into Falconbridge Nickel, which purchased UKHM's controlling interest in 1962.

Then came bad news. Ore intersections underground slipped below acceptable levels. A long-range exploration program was needed to cure the ore anaemia and continue feeding what was now a 500-ton daily concentrator.

During the area's long mining history, companies had been fortunate to uncover ore in the old mines which had provided silver, lead, zinc and cadmium to world markets for more than 40 years.

The lode deposits on Keno Hill and Galena Hill were Canada's richest silver mines, for sure. Since the Guggenheims and Treadwell Yukon days of the mid-1920s, no new ore bodies had been discovered, mainly because nobody was looking for any.

Keno Hill Mining and United Keno Hill Mines only spent money on property acquisitions, assessment work to keep the mineral claims in good standing, and ground preparation for future mining.

To extend a mine's life, the No. 1 rule is to constantly explore for new ore reserves. UKHM had an under-



Photo submitted

PIVOTAL FIGURE – Dr. William Smitheringale's detailed geological work ultimately led to Keno Hill Mining reopening the famed Yukon operation in 1947.

ground exploration program but not one on surface. Naturally, the company was facing ore exhaustion.

Any exploration geologist who took on the challenge would face an historic low temperature of -82 F and permafrost several hundred feet thick.

In 1963, Robert "Dutch" Van Tassell came from a former job in Elliott Lake, Ont., to head the surface exploration program. In 1964, overburden drilling provided the first indications of a Husky vein system between the Silver King and Elsa. In 1965, diamond drilling was only uncovering non-economic vein type material.

In October 1966, Yukoners heard two important messages. It was the proverbial bad-news, good-news story.

The good news was the territory's top bureaucratic position was filled after a three-month vacancy. Ottawa appointed James Smith, a local businessman and politician, as Yukon commissioner.

The bad news was United Keno Hill Mines had to tell 16,000 Yukoners,

who relied directly or indirectly on the mine, that the company intended to close its doors. Without UKHM, the Yukon would perish.

Besides ore reserves and tonnage declining, profits were almost nonexistent. No Cash's lunchroom had caught fire. Four men suffocated trying to outrun the smoke. All underground exploration had stopped.

Dutch Van Tassell soldiered on top-side with a bare-boned budget trying to outrun destiny. He had to find new ore reserves quickly to keep 600 employees on a payroll and the Yukon alive.

It was a tall order.

Jane Gaffin is author of *Cashing In*, a definitive history of the Yukon's hardrock mining industry, 1898 to 1977. You can e-mail her at janegaffin@canada.com or visit her at www.diArmani.com.

Next week: Van Tassell's discovery of the Husky showpiece saves the Yukon from economic despair.



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