

## A Tale of Gold



Decebalus' death

By Dan Oancea

**1**06 A.D. somewhere up in the Transylvanian Alps. The summer day came to an end bringing a resolution to the long Roman [siege](#) of the mountainous [Dacian](#) capital fortress.

It was the end of a long war fought against brave warriors that considered themselves immortal. Surrounded by enemy cavalry, the king of the proud warriors slit his throat, thus choosing death over captivity, immortality over slavery.

Gold was always a good reason to wage war. Helped by a local noble, the Romans recovered the huge [Dacian treasure](#) which lay hidden in the bed of the Sargetia River. Their booty: 165 tonnes of gold and double that amount of silver.

Roman legions swiftly advanced deep into the wooded Transylvanian Alps to the headwaters of the gold laced rivers. There they found the hard rock mines of the Dacians, a place where gold veins jutted out of the ground through the intricacies of the roots of old growth pine forests.

Excellent organizers, constructors and engineers, the Romans brought mining specialists and moved into surface and underground mining. Rectangular adits and shafts - braced by wood whenever necessary - were dug out by workers using pointed iron bars driven into the rock by 5-10 pounds hammers. Sometimes the quartz vein had to be heated up by a wooden fire and then rapidly cooled down by a mixture of water and vinegar in order to provide for a good amount of fracturing. Poor ventilation, water inflows and lighting were just some of the problems that had to be overcome by ancient miners. Thousands of meters of galleries have been developed by Romans around the Alburnus Major locality during their short lived occupation.

Now and then, Barbarian attacks succeeded to overcome the local Roman garrison and the dwellers had no choice but to place their valuables deep in the underground and run for their life. Sometimes they didn't come back to reclaim the goods, therefore sixteen to seventeen hundred years later their



**Roman galleries**

belongings and a few [wax tablets](#) - describing their socio-economic and private life - were recovered by other generations of gold miners.

At about the same time local fishermen started retrieving golden artifacts from the bed of the Sargetia River. Priests and nobles took over the salvage action and struck rich by unearthing parts of the Dacian gold treasure that have been missed by the Romans. People got so rich - built castles and started a spending spree - that the distant Austrian emperor sent secret agents to question them about their unexpected fortune. There is no such thing as 'no share' for the emperor - taxes and death in the Middle Age could easily come together. Gold from the distant Transylvanian mountains paid for much of the building of the wonderful Viennese castles that would provide a perfect setting for noble pairs to waltz and listen to classical music.

During the Austrian rule mining works were heavily expanded. As they became longer and deeper, German miners were brought in to share their expertise. Low ceiling galleries were traveled by children who hauled ore to the surface. Women and horse teams took over and lowered it to the bottom of the valleys providing for hundreds of stamp mills that worked around the clock. A system for granting mining rights was established and local people set up private associations that enabled them to undertake profitable mining works. In the early days of the gun powder, used as an explosive in hard rock mining, each and every village had more widows than active miners, but that has never stopped the locals to do what they did for millennia: gold mining.

There were also times when they fought one against the other. The local population made of miners and peasants took up the weapons and successfully waged a war against regular armies. Later on they disbanded and returned to their rags and gold, not before having the powerful Austrian emperor to promise to listen to their requests.

There was always a frontier sentiment amongst newcomers - they opened banks, hotels, pubs and lucrative brothels. Everything was paid for by cash or gold nuggets - every Saturday miners would come down to the city to exchange their gold bullion and party on the way home.



**Wax tablet**

As stories go, one miner had died in the city and they placed his coffin on his own horse-drawn cart; everybody was touched when they saw his old horse stopping by himself at each and every pub on the way back home. The deceased miner used to do the same thing for years so his faithful horse had learned his habit.

Another one discovered a new vein and after partying hard in the small mountainous city didn't want to come back home in a carriage but in a wheelbarrow. He hired people to carry him and serve him alcohol while a band of gypsies would sing him a favorite suite of songs. At every bridge that they encountered he didn't allow the band to cross it but asked them to cross the creek on foot and keep singing. Those were costly favors but he reasoned that this is the way that he is making a living too, by carrying ore in a wheelbarrow and he also has no protection against water inflows when doing business in the underground.

Time flowed by and another people showed up on the dusty roads leading to the fabled gold mines: Russians on trucks and tanks established bases there, too. In a short period of time they took out more gold than the gold taken by Austrians and several others over hundreds of years of mining. Not to mention that they got a bonus too: uranium - WWII German maps showing a huge [uranium deposit](#) were confiscated and in 1952 the world's largest open-pit uranium mine started producing for the mighty Soviet arsenal.

Communism was this way imported on the land of the free miners bearing nothing but dull consequences: in just a few years they were forced to close down their private gold mining operations and by intimidation and torture they had to give away the little gold that they have saved. People did what they thought was best for them: using their last explosive supplies they caved in their own adits that were leading to the fabled gold ore.

Not everybody went down without a fight - local people turned outlaws. They had a detailed knowledge of the underground mining works that have been dug out for millennia by successive generations of miners and used this vast underground network to hide themselves and their riches. Part of the gold would sometimes go to local widows or needy people.

In an attempt to curtail the support that the locals were extending to these outlaws the secret police enlisted the help of a local priest. One night somebody knocked hard at his door.

A few moments later bullets passed through the wooden door ending his dreadful collaboration with the communist secret police. Decades later the bullet ridden door could still be seen lying against a wall – a dire reminder of what local people have been always standing for: freedom.

I have a good share of memories from the time that I spent there exploring those lands laden by mineral deposits. But most of all I remember the special breed of people that has been dwelling those mountains for over 2,000 years – the ‘Motsi’ gold miners of Bucium and Rosia Montana. I learned that they are simple, unsophisticated, good hearted and trustworthy people and you can achieve a lot by gaining their trust.

The 1990s brought not only a change of the political system but also chaos, economic misery, corruption and the general collapse of subsidized mining. Even though many international mining houses expressed their interest in the gold rich Transylvanian region no one dared to invest because of a lack of a clear mining legislation.

Well, not quite everyone: enter [Frank Timis](#), a controversial character. According to a plethora of newspapers and online resources the Australian-Romanian businessman had early brushes with the law – drug related offences – and conceived ill-fated mining companies prior of returning to then corruption laden Romania. There he teamed up with other controversial businessmen and got an early contract on processing gold tailings on behalf of his Canadian registered company Gabriel Resources Ltd. Later on the disputed contract had been extended to cover mining activities over a larger area.

Local newspapers active in following mining stories treated it as another corruption example. The seeds of discontent and mistrust have already been sowed by now - of course that the ‘adventurous’ life of the company’s founder weighed heavily on the public opinion.

In December 1997, based on the ‘validation and factoring of earlier data, three-dimensional modeling and the results of a re-assay program’ Gabriel announced a first resource statement welcomed by the Vancouver Stock Exchange but not by the local mining community. They raised questions as how come that by re-analyzing the same samples one could come to defining a new gold deposit, something that has eluded them for years. And, how is it possible that this deposit has not been discovered by previous explorers? Or, if it was indeed discovered by others and kept secret, why is it that no transparent bidding process was in place for granting the exploration and the subsequent mining license?

At that time no clear communication channel was in place for allowing people to express their concerns regarding the area that has been theirs for millennia. Frustration started to build up in the small mining communities surrounding the project.

According to a British newspaper, another company owned by the same Mr. Timis, the [Regal Petroleum](#) claimed in 2003 that it had discovered a huge oilfield somewhere in Greece. Share price skyrocketed and many private investors and pension funds bet their money on the new ‘discovery’. A few months later the ‘discovery well’ proved to be a dry one, an uneconomic well. Following the crash of Regal’s share price the [AIM](#) London market enforced new tougher reporting regulations for companies in the natural resources sector.

The Regal bad news also found their way in the minds of the local community which started to suspect Gabriel too as not being honest. Who would like to deal with them, especially when they are talking money promised to the local community because of the intended relocation of the village?

In 2003, Gabriel’s shareholders finally decided to depart their way with the company’s founder: Mr. Timis got a \$2 million severance pay and was released from any obligation to the company. Later on he moved to do business in diamonds and Sierra Leone.

At that time positions regarding the proposed project have already been radicalized. A public relations battle that would propel the little mountainous community on the front page of many important newspapers around the world had just begun. NGOs and different personalities vigorously campaigned against the project.

To break it down, the essence of the story is that this ancient community and its monuments have to be relocated to make room for open pits; a huge tailings dam has to be built up river of another old mining community; and cyanide is the only means to squeeze the gold out of the seemingly barren rock.

The [opposition](#) says that the huge pits would scar the land forever, and that would be detrimental to tourism; that it would destroy all Roman vestiges and their fabled galleries; that it would basically take into the parts an ancient mining community, their churches and cemeteries; that the cyanide would poison the environment, and they point to a local case of grave [cyanide river pollution](#) created by an Australian company, pollution that impacted rivers as far away as neighboring Hungary.

The Hungarian opposition definitely feels bad about losing historical vestiges that are located in the community of [Rosia Montana](#); they are also determined not to be the victim anymore of another case of trans-border pollution caused by Romanian cyanide gold mining.

[Gabriel](#) points to the fact that mining has been there for ever, heavy metal laced creeks flow out of the old mining works in an uncontrolled manner, which is already a catastrophic event by itself. It says that it plans to spend money to mitigate the ARD pollution once it would start mining the very same hills.

The company had already sponsored archaeological studies to discover and save anything that could be saved; it also documented the old mining works by enlisting the help of international experts.

Gabriel also offered to move churches and cemeteries. It has acquired Rosia Montana properties in exchange for new properties and buildings to be constructed by the company, or it just offered compensations in money.

It has also adhered to the [new cyanide management code](#) specifically designed for the mining industry. And the last but not the least is offering jobs – an important offer in an economic depressed zone.

The new Gabriel, a company which lives up to international standards, has already convinced many about its good intentions and it has already acquired title to most of the private properties necessary to start building up the project. However, its EIA still has to face legal challenges prior of even being considered for a review by the Romanian government. And the battle is not over – proud hardliners supported by NGOs are yet decided to



stop the project by refusing to sell the land of their ancestors. Also, some political parties' representatives have started to talk about trying to pass a law that would forbid the use of cyanide in mining – fact that would definitely bring an end to the project.

The case of Rosia Montana could be considered as a perfect example of a bad public relation story coupled with a poor understanding of the [underlying local socio-political fabric](#).

The project has gone wrong from the very beginning. It started bad because of the way on which the project was acquired, continued with bad press related to the past of the company's owner, and was also characterized by a lack of a clear communication channel between company and the proud local gold miners.

The project's European location, the intended relocation of a millennia old village and the destruction of its cultural and archaeological vestiges, the multicultural fabric of the community, legal challenges, local and regional politics, international involvement of the media and NGOs, only added to the burden already faced by the mining project. The 2008 year should bring a resolution to what has become more of a battle of nerves than anything else.

Anyways, it shouldn't have happened this way in the first place. This is not a story of mining vs. community or mining vs. environment. Mining is in the blood of all Rosia Montana inhabitants and it also used to be the blood of the local economy for so long that even the old marble monuments have crumbled to pieces, pieces that are now recovered by amazed foreign archaeologists.

Instead, this is a story of mining and community, a story describing what divides and what unites a community challenged by the development of a large-scale modern mining project, a story that has its roots not only on the boards of a foreign stock exchange but also deep in the local history, a history that the local people are so proud of.

It is also a lesson that the mining community should be aware of – there are and there will always be interesting projects that won't be developed because of the huge challenges faced by the mining industry in the XXI century, and it is not a defeat to recognize that in the first place instead of continuing throwing money down the drain.

There is a time to stop and a time to victoriously proceed. Which one is about to come for Gabriel?

What the fate of the multi-million ounces of gold project is, only time will tell. ■

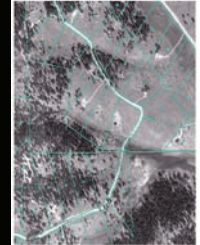
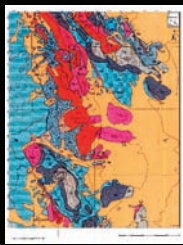
## Links and References

- [AIM](#)
- [Cyanide river pollution](#)
- [Dacian](#)
- [Dacian treasure](#)
- [Frank Timis](#)
- [Gabriel Resources](#)
- [Mine Your Own Business](#) (Video)
- [New Cyanide Management Code](#)
- [Regal Petroleum](#)
- [Roman siege](#)
- [Rosia Montana](#)
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