

Dear Members,

February 2008

Welcome to our New Members and Renewing Members. We appreciate all your support!

Winter has finally arrived and we have had ice and snow now for a week. Today, 2/2/08, the snow is continuing to pile up. Don was able to keep the road clear until yesterday when the tractor bucket broke a support. Now the only thing we can do is wait until we can get it fixed, or the snow melts? Not much we can do so this is a good time to file, write letters, clean and catch up on our reading. If this goes on for another week though Don will have to get the snow shoes out, learn how to use them and hike out. Since we only have one pair and he will be ready to get out of here by then, if not, I will!

We are still looking for help with the raffle. Ken & Leona are retiring and have been good enough to continue to run the raffle at the meetings as we do not have anyone to help at this point. It is only once a month? We would appreciate it. We have just finished our Outings Schedules for the year. This will give everyone a heads-up on dates and we will update and fill in the schedule next month. It will be a busy year but that is what keeps us going and what a life!

In the January 2008 ICMJ, "Public Lands for the People" have a fund raising raffle with great prizes. This is one raffle I buy a ticket for since the first place prize is a car!!! It is for a good cause and worth our efforts. This is a non-profit organization and any money donated is tax deductible. Check them out. They work hard on legal issues for miners.

From the ICMJ, Jan.2008: Forest Service, Legislative and Regulatory update: The Forest Service proposes further changes to the Mining Regulations. They are expected to expand on their recent proposals, one called a "Bonded Notice" which would require the posting of a financial guarantee where activities do not warrant a "Plan of Operations." Most small-scale miners could not afford a bond. More information will follow.

The Sierra Nevada Mining & Industry Council have been working on their upcoming web-site. We should have this available by the next newsletter. They have reported this month that the Idaho-Maryland Mine Corp. and the city of Grass Valley are winding through the environmental review process, a series of three public workshops will be offered to answer questions and take comments. For more info, contact city Planning Director Tom Last at 530-274-4711.

Check out the "Lost Treasure," Gold Issue, March 2008 edition: An article written by our friend, Jim Straight, tells the story about Lunker Hill Mining Operation and gives a brief history of the "old" Central Mining District. This is located in Humboldt County, Nevada. Three long time friends, Don "Smokey" Baird, George "007" Duffy and "Oakie" Jim Malone were successful in locating gold because the trio "clicked." The story goes that Terry "T-Bone" Bone detected a 27 ½ ounce nugget. When Smokey Baird saw this nugget he said this is what I would call a "Lunker." And the name stuck and soon it would be called the "Lunker Hill" mining operation. The late Jim Malone was the operations manager from about 1996 to 2003, and he successfully organized the team into a large-scale bulk-mining placer operation using metal detectors to recover the gold. "Oakie" leased the mineral rights and rented a backhoe to selectively cherry pick the richer channels within the dry washes. He was the foreman, since he was the one who rented the backhoe, and paid the operating expenses. About a pound of gold a month was recovered with Oakie Jim paying a percentage of the nuggets each individual found while detecting the piles. It was a happy crew doing what they liked. A couple of years ago we visited Smokey in Lovelock and he showed us the pictures of all the "Lunker" nuggets that have been found. And he told us the story. I am so glad Jim Straight put this in a great story. Thanks Jim.

Project Love: We want to thank the Iowa Hill School children for getting up in front of everyone and thanking the Goldhounds for all they have done over the years. Lacy Mae Campbell, 11 years old, has been in the "Project Love" program all her life. Her letter says it all. "Dear Gold Hounds, Thank you for all of the wonderful Christmas cheer that you have given to the children past and present of Iowa Hill. You have blessed us with gifts when our parents had none to spare. You have given us something to look forward to each year and for that I would like to thank you from the bottom of my heart thank you. Truthfully it's a blessing to have people like you in our lives." And from Emily Ruth, "Thank you for coming up every Christmas to Iowa Hill. It means a lot to the kids, myself and our community. I would also like to say a special thanks to Sam and Henrietta for buying us bikes for our school exercise program." And Marc writes, "Hi, my name is Marc Taylor and I just have to thank you for so much for what you have done. I see so many smiles and laughter, I think to myself that the Goldhounds's have brought all the Christmas spirit to us. We appreciate what you have done. It fills our hearts with love. Thank you Goldhounds. And to you Lacy, Emily & Marc, and all the other students Gold Hounds has helped we want to say, from the bottom of our heart, it gives us pleasure to know that we have made a difference in your life. All we ask is that when you grow up and you see that someone needs help that you reach out to help them. God Bless you all, Annie & Don.

FOLKLORE AND SUPERSTITION IN THE UNDERGROUND LIFE OF THE CORNISH MINER

When I visited the Empire Mine several years ago I was fascinated with the lives of the underground miners in comparison to the miners who worked the rivers and streams. Among the many aspects of the mining industry, which remain relatively unexplored, are folklore and superstition. The customs and beliefs, which grew out of the conditions under which the hardrock underground miner have worked a century ago. When the Cornish Miner (English) came to the U.S. they were called the Cousin Jacks. They brought with them their stories and beliefs in the Tommyknockers. Elfish, bewhiskered little men who would hide tools, jam drills, tamper with fuses, and make the lives of the miners miserable is perhaps the best known of the tales which have come out of the mines, but there are many others.

Many miners believed that the spirits of their dead comrades never left the bowels of the earth, and almost any mine of good size had a ghost. And the Bride of Succor Flat is the name of the ghost in our mine. Many of you have heard of her through Don and I. She inspired the name of our new mine, "The Happy Bride," and we feel like she has become a part of our lives now. In fact Don does tell me once in a while that the Bride visits him at the mine office. Do you think that is why he spends so much time there? Now back to our Cornish Miners and the rich history they brought to us during the gold rush.

This story is from the Wild West, February 2001, excerpts taken from "Me Cousin Jack" by Robert Joe Stout.

A square, cautious, squinting man whose mischievous blue eyes betrayed a wry sense of humor, Ben Prout left Cornwall, England, in the early 1870s and found employment in the silver mining town of Georgetown, Colorado Territory. My father befriended Prout after the grizzled Cornish miner had left the mines and settled in Pueblo, Colorado. "We lived two miles up on the side of a cliff," Prout told my father. "The winds blew so hard they collapsed the front half of the house. It was half a mile to the mine, and I had to crawl on hands and knees to get there through the blizzards. That spring a mudslide took away part of the town. From Georgetown, where he built a house "timbered as solid as any mine," Prout moved on to new strikes in Leadville, than Nevada and Arizona Territory, where silver and copper booms beckoned to the skilled Cornish miners. His wife eventually refused to keep moving with him and returned to their Colorado home to wait for him to quit the mines. Tens of thousands of experienced miners from poverty-wracked Cornwall, Britain's southwesternmost county, converged on the West in the mid to late 19th century. Speaking a strange Celtic English that few non-Cornishmen could understand, these new arrivals brought with them skills they had learned thousands of feet beneath the rocky coast of their homeland, which for centuries had provided Britain with tin and copper. Others arrived by way of the Mid-west – sons of Cornish immigrants who had come to Wisconsin as early as the 1830s to dig for lead like so many badgers. According to long-time prospector John "Burro Jack" Hoffman, the term "Cousin Jack" derives from an oft-told story that whenever an opening for a new miner occurred, a Cornishman would pipe up; "Ah, Me cousin Jack, 'e's a good man, I'll bring 'im along." The Cornishmen stuck together so tightly, Hoffman insisted that one had to be a Cousin Jack to get a job in half of the mines in Nevada. In the 1850s, thousands of Cousin Jacks was taking gold out of mines on the western slopes of California's Sierras, most notably around Grass Valley and Nevada City. Massive silver strikes beginning in 1859 in what would soon become Nevada brought thousands of Cornish miners to the Comstock Lode, where Virginia City and other settlements sprang up. The Rocky Mountain region that would become Colorado attracted a good share of Cornish miners, too. Gold was discovered in 1858 near present-day Denver, and the Pikes Peak gold rush began the next year. Silver rushes occurred in the late 1860's and early '70s in Caribou and Georgetown, and then in the late '70s came Colorado's biggest silver camp, Leadville.

Christine Bordin, a descendant of Cornish miners who worked the Virginia City, Nev., silver strikes, theorizes that the Cousin Jacks were able to endure frontier hardships because they had to struggle to survive in their native Cornwall. A severe depression in the 1840s reduced hard scrabble living there to mere survival in tin and copper mining towns where entire families worked in the stopes and processing mills and where the diet consisted of drought blighted potatoes and the never dependable pilchard catch from the sea. So it was with a sense of creating a future that the Cousin Jacks kept bringing their relatives to boomtowns like Caribou and Virginia City. Bordin, a college journalism professor who died in 1968, recorded some of her grandfather's accounts of working in the Comstock Lode in the 1870s. The underground tunnels there, she said, were excruciatingly hot. The miners routinely referred to their work as a "descent into Hell," and many miners temporarily went crazy thousands of feet underground. Steel cages, operated by a pulley, lowered the Comstock miners 2,000-3,000 feet down vertical shafts to the maze of tunnels they blasted and timbered through treacherous feldspar, which had a tendency to shift and cause cave-in. Miners like Bordin's grandfather, deaf to ordinary above ground conversations, could "hear the timbers talk," as she phrased it, and could tell when a stope was in trouble by the way the supports creaked or candles burned.

Often the Comstock miners, coming to the surface after 12-hour shifts, would stagger about like drunks when they hit the fresh air. Others would collapse into coughing fits, or huddle like bundles of used rags and suck on wet cloths to get enough moisture into their mouths to be able to swallow when they ordered their first pint of beer. According to Bordin's grandfather, the underground caverns were so hot that the miners would fling themselves into snow drifts when they hit the surface in wintertime, "turning blue as the lapped up the snow like puppies." Brodin's grandfather claimed that the temperature change so violently affected one young Cousin Jack who had been working in Virginia City that he passed out when he thrust himself into a snowdrift to cool off. The next morning he was found frozen solid in the snowdrift. One of the mine superintendents, angry because his shifts already were short-handed, brought the frozen Cousin Jack's body to the mine's processing shed and thawed it out over a slow fire. When the shivering and startled miner opened his eyes, the superintendent poured a tumbler of rotgut whiskey down his throat, docked him half a day's pay and shoved him into the cage to resume working.

Few Cornish families were left untouched by mine accidents. Badly set dynamite charges tore bodies apart, and tangled ropes hurled miners down deep, water-filled shafts. Tunnels caved in; the air in underground caverns grew so foul it choked and suffocated miners. Those who survived beneath the earth often brought death to the surface. Consumption and "miner's disease" (silicosis), pneumonia and diphtheria filled the little cemeteries that the Cousin Jacks staked along the hillsides above their wooden homes. Not all of the women the Cornish immigrants brought to the gold and silver camps in the Colorado Rockies accepted the inevitability of their fate. During the 1890s, 12-year-old Lizbeth Selby, who had come to Colorado with her mother two years after her father had immigrated to the United States, ran away from an environment that had made a cripple out of her 16-year-old brother and reduced her father to a sick and coughing old man. "The only future I saw for myself," she told friends many years later, "was to marry a miner and grow old watching my children suffer and my husband die, doing laundry like my mother for a few pennies for bread, or entering a brother."

Young Selby left Eldorado (later called Eldora), Colo., with a mine foreman's wife who despised frontier life, even though she hired servants like Lizbeth to work for her. The foreman's wife paid a teamster to drive the two of them to Denver, bought them new clothes and persuaded a grocer and his family to take the young girl under their wings. Within a few months, Lizbeth advanced to her equivalent grade in school and arranged to pay board and room at the grocer's house by washing containers for a purified water distributor and clerking in the store. Lizbeth Selby was grown by the time she saw her parents again. They had followed mining jobs from Eldorado to nearby Central City, Colo., and then to Wardner, Idaho. "They were like strangers," Selby remembered, "and I felt so sorry for them. They had such a hard life, and I realized what good people they were when they told me they'd prayed for me every day since I'd left.

Selby married a government worker and lived in Denver until her death in 1947. Her funeral was a quiet one, but funerals in the Cornish camps of the West could become major events. Spectators at the Eureka, Nev., funeral of a miner named Rapson marveled at the turnout. "No one ever had seen so many scrubbed Cornish faces and threadbare suits in one place," a newspaper contributor wrote of the procession that wound from the Methodist church to the cemetery. Not all Cornish miners were as well known as Rapson. Many were young, single men who roomed with acquaintances or lived in boarding houses. The procession for a young man killed in an 1888 Caribou mine accident drew only a few participants to brief services in the town's Methodist church. Mourners carried a plain wooden casket first by hand and then by horse-drawn wagon nearly a mile up a steep winding hill from the church to the cemetery. There, one of the miners drove a simple, hand-carved cross bearing the deceased's name and the word "CORNWALL" into the rocky ground at the head of his final resting place.

"We rode the buckets with the Dark Companion, Death, always beside us. a Cornish miner turned lay preacher told a Gold Hill, Nevada, congregation. The statement hardly was hyperbole. In Virginia City's Consolidated Virginia mine, a signal rope tangled and pulled a timber loose in one of the mineshafts. The piece of wood plummeted downward and skewered a Cornish miner named Trembath, who was riding in a rope-and-pulley-drawn tub. He crashed to the bottom of the shaft. Hundreds of feet below the earth surface, and lay there for hours before anyone found his dead body and pulled it to the surface. Not long after that. An old miner named Thomas Cook slipped and plunged 800 feet down the main shaft of the Knickerbocker mine. The impact crushed every bone in his body and killed him instantly.

Many more Cousin Jacks escaped misfortune thanks to little companions who helped them in the mines. Most Cornish men believed that the souls of departed miners – particularly miners who had died in mine accidents—inhabited the shafts and tunnels and sometimes warned Cousin Jacks of impending danger or else could be called upon for support. Billie Williams, a Cornish miner at Olinghouse, Nevada Territory, in 1860, claimed these ethereal bodies of departed miners—also known as Tommyknockers – had shown him where to find rich ore.

The little spirits were as mischievous as they were helpful, however. They stole food, hid tools, blew out candles and tampered with dynamite fuses. Williams insisted on placing small clay statues at the entrance of every mine he entered to propitiate the little spirits. He also left food and tallow candles with the statues. If one didn't, he insisted, the Tommyknockers would become angry and cause mishaps of all kinds.

The World Melts for Gold

Futures in China, an ETF in India Are Part of the Frenzy

By CAROLYN CUI in New York and JAMES T. AREDDY in Shanghai

January 19, 2008; Page B1

Gold-bug fever is spreading.

From China to the Middle East, new ways to invest in gold are rapidly popping up in developing countries. It's transforming the market for one of mankind's most venerable ways to sock away wealth.

The door is opening to a new class of investors who previously wouldn't have had access to gold futures and other tools. Their rush to invest has helped fuel soaring prices — gold crossed \$900 an ounce for a time in the past week, and there are some calls for \$1,000 — while adding volatile new dynamics to the market.

On Jan. 9, thousands of Chinese investors jumped into the bullion market when the country's first gold-futures contract launched. Futures are agreements to buy or sell something at an agreed-upon price in the future, and are traditionally the domain of the pros, not individuals. So far, it's been a bumpy road: The most active June contract soared 6.3% on its debut day, then tumbled 3.7% on Day 2.



A slew of other new investments like these are planned in markets from Dubai to Mumbai. In India, the top lender, State Bank of India, plans this year to launch an exchange-traded fund that focuses on gold — enabling investors to trade gold much like a regular stock. The World Gold Council, a London-based gold-mining industry group, says it is seeking to roll out its first gold ETF in Dubai this year, pending regulatory approval.

Last August, the Osaka Securities Exchange in Japan rolled out a gold-linked bond aimed at smaller investors. And in the past few days, [Hong Kong Exchanges & Clearing Ltd.](#) said it plans to list gold-related investment products and ETFs on the Hong Kong Stock Exchange.

Another sign of the shifting power centers in world gold markets: Last year, China became the world's No. 1 producer of gold, pushing South Africa into second place for the first time in more than a century, according to GFMS Ltd., a precious-metals consulting firm in London.

The democratization of gold speculation outside traditional Western financial centers has the potential to magnify the already strong appeal of gold as a hedge against global recession, inflation or just general uncertainty.

Investors world-wide shifted billions of dollars into new gold investments last year, fueling a 31% increase in the price of bullion on the Comex division of the New York Mercantile Exchange, the world's most important gold market. The anticipation that greater Chinese participation could be bullish for the market over the long term helped keep Comex gold above the psychological hurdle of \$900 earlier in the week.

Uncertainty over future U.S. interest-rate cuts, among other factors, has since pulled the Comex benchmark back to \$880.80.

Individuals in India and other Asian countries have stockpiled gold jewelry and bars. In China — a nation with a rich history of economic upheaval — gold has long been a particularly popular savings tool. Various colorful frauds have flourished, too. In January, a man named Ka Yulong, who ran a gold-trading firm in Western China's Gansu province, was sentenced to 15 years for swindling investors by selling them gold-plated silver bullion.

Last August, a swindler in Hebei province was convicted of scamming an investor out of \$21,000 by spreading gold dust on stones that he pretended were samples from his mine.

In one of the largest recent scandals, a Shanghai trading firm, Liantai Gold Products Co., managed to find a way to trade gold-futures contracts overseas — circumventing Chinese law — only to lose millions of dollars of its clients' money in the process. Liantai's total trading volume once reached a remarkable 11.9 billion yuan (\$1.64 billion), according to court documents. The case is pending.

Until recently, most buying and selling of gold in China required lugging the metal between brokers and haggling over prices. As recently as a decade or so ago, when Chinese tourists were first permitted to travel to Hong Kong in significant numbers, they often descended first on gold shops in the former British colony to stock up.

Only in 2002 did investors in China get the ability to trade physical gold on the Shanghai Gold Exchange, though individuals couldn't invest in actual bullion until 2005. Even then, the opening was limited.

Today, however, some of the new products emerging in China and elsewhere can be traded over the Internet like stocks.

Frenzy in Shanghai

The Shanghai Futures Exchange has warned that the product is primarily meant for big trading firms or gold consumers and producers, such as the nation's expanding gold-mining and electronics industries. Yuan Lianbo, who heads the gold-trading desk at

Shandong Gold Group, one of the country's biggest gold miners, said his company has already started trading the Shanghai futures contract to hedge its price risks.

Just before trading began, the exchange tried to limit speculation by individuals by more than tripling the size of a single futures contract to one kilogram of gold from 300 grams. It also increased the amount of margin, or collateral, that investors must post, to 9% from 7% of the value of the contract.

Still, while those moves lifted the minimum investment to about \$2,700, analysts say gold futures are still affordable to many Chinese investors.

Among those clients signing up to trade the gold contract through brokerage China International Futures Co., "about 90% are individual investors, most of whom were moving assets from stocks after turning bearish on the stock markets," said Lei Hongjun, deputy manager of the firm's Ningbo branch. China's stock market shot up 97% in 2007, but recently has tumbled 13% from its peak hit in October.

Of course, the new ability to trade gold in China won't automatically result in higher prices, analysts say. But the new contract's movement will give the rest of the world a better idea of China's appetite for gold, which will be a key factor for gold prices.

Since 2003, Western investors have poured billions of dollars into a related investment, the gold exchange-traded fund. Gold ETFs are pegged to the price of gold, but trade like stocks.

The most active gold ETF, a Big Board-listed fund called streetTracks Gold Shares, now holds more of the precious metal than the European Central Bank or China's central bank. (ETF shares typically represent a chunk of physical gold.)

Similar funds have been launched in Australia, the United Kingdom, the U.S., South Africa, Mexico, Singapore and various European countries.

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Barnes Store - North Fork of the American
Challenge to find the old location

In 1849 the Barnes Store was located on the North Fork of the American River. It was a very large store for the miners, taking care of Yankee Jims and the surrounding territory. On several occasions I have looked at maps trying to find its location. Can you imagine the possibility of a few gold coins in the vicinity? How about just below in on the river? Coins washed into the river by high flooding? How about some dropped nuggets here and there? We need to find the location. I think it's between Ponderosa and the Yankee Jim bridges, or in the nearby vicinity. If any of you know the location I sure would appreciate knowing the answer. So would a lot of other people. I wrote the following story a few years ago about the Store. *Don*

MINERS SUPPLIES

By Don Robinson

The miner's life was not an easy one. Let's look at the cost of some of the items the miner had to purchase. This is not something we think about very often but for the miners of those years it was a serious concern.

We know that gold was more plentiful then, but how much more plentiful? Large strikes were numerous, but what about the miner who was still prospecting, and how about those who were not as successful as the more fortunate ones? The costs of goods were the same to all, including those who weren't mining.

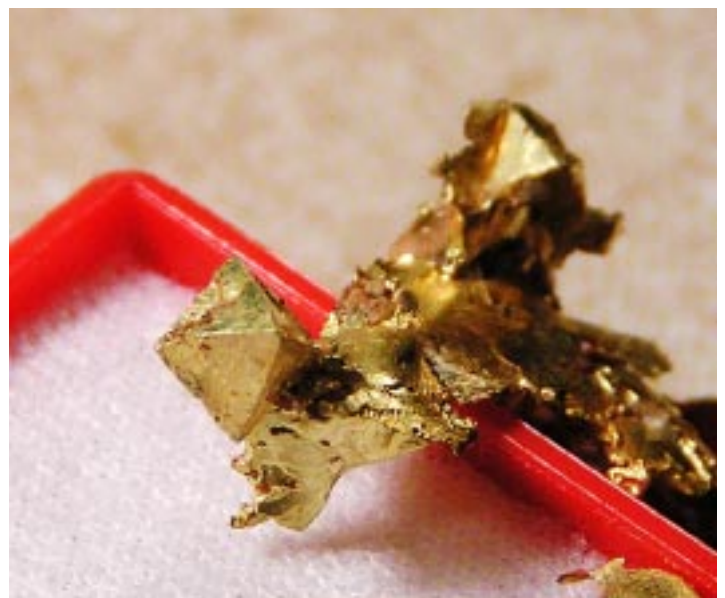
In 1849, at the Barnes Store, on the North Fork of the American River, a three-month ledger gives us an idea of what it cost for various items the miner wanted to purchase. The prices were high, but we have to keep in mind that the supply side of the store business was just as difficult. Many goods had to be shipped from the east coast of the country, and the cost to get them there was staggering. Not only was the cost high, but the delivery time was even worse – if the supplies got there at all!

Payments were generally made in gold dust, or nuggets, at the rate of \$16.00 per ounce. Keep in mind that the bullion value of gold (.999 fine) was still around \$20.00 per ounce in the bullion markets of that time. Bullion gold is defined as refined gold with practically all the impurities removed. Absolutely pure gold would have a rating of 1.000 fine, so that .999 fine is 1/1000th of being pure, or in other words the refined gold still contained 1/1000th of impurities. The refining process just couldn't get that last 1/1000th out without a tremendous cost. This same criteria still exists today.

Most of the placer gold from the Foresthill area was generally more pure than other parts of the country. The overall average for California was ranging about .840 fine, but some of the mines in Foresthill were producing gold ranging as high as .940 fine. That is very high-grade gold. The impurities? About 98% of the remaining impurity was silver, with some very minor portions of copper and lead.

When the storeowner took payment in gold he still had to sell the gold, generally to Wells Fargo or a middleman, for the \$16.00 per ounce. At \$20.00 per ounce for bullion gold, this left \$4.00 for the middleman and the refiner to make their profits.

Now to prices:



Two gold crystals recently found

Supplies: one shovel \$8.00 or ½ ounce of gold; one pick \$12.00 or ¾ ounce gold; one magnet \$12.00; one pail \$5.00; pair pants \$5.00; 4 fathoms rope \$5.00; one scale \$12.00; blank book \$1.00; pants \$23.00; one kettle \$14.00; ax and handle \$10.00; stew pan \$8.00; and one tin pan for \$16.00.

At first glance these prices don't seem out of line – with today's prices. However, look at the tin pan for \$16.00. That meant the miner had to trade one ounce of gold for that pan! Today's price of gold is about \$900.00 per ounce, which would mean that at today's value the miner had to pay \$900.00 for that tin pan. That's expensive. The argument on the other side is that gold was more plentiful then, so that the price of goods was in proportion to the quantity of gold you could extract.

That pan today might cost \$9.00. That is 1/100th of the value of one ounce. This would indicate, with all factors being equal, that the gold had to be 100 more times plentiful during the gold rush than today in order to keep the prices equal. I certainly agree that gold was more plentiful then, but by 100 times more?

More prices:

Food supplies: 2 lbs biscuits \$2.50; one lb of sugar \$2.00; 16 lbs ham \$24.00 (that's 1 ½ ounces of gold!); quart of beans \$2.00; 25 lbs sugar \$18.00; 12 lbs dried apples \$25.00; 3 lbs bread \$3.75; 12 lbs of pork \$18.00; bottle of pepper sauce \$3.00; one lb crackers \$1.50; watermelon \$4.00; and 150 lbs of flour for \$90.00.

One hundred fifty pounds of flour for \$90.00 took 5.6 ounces of gold. How many of us have ever found a total of 5.6 ounces of gold? Prices were not cheap. Now let's consider those who were faring better than others and could afford a drink or two. Prices: one bottle gin \$6.00; bottle brandy \$8.00; one bottle wine \$5.00; and if you were a tea drinker, one caddy of tea 10.00. I'm not sure how much a "caddy" is, but I would sure have to be a serious tea drinker before I parted with my \$10. of gold!

What ever happened to the bargain for \$9.99? When you look at the prices of that time everything sold for even numbers. Fifty cents was the minimum breaking point for one dollar. Obviously pennies were hard to come by!

Smokers were paying \$2.25 for six cigars; \$1.50 for a plug of tobacco; \$1.00 for tobacco papers; and about \$1.00 for a half-pound of tobacco. That doesn't sound too bad.

In Placer County, in 1853, County revenues also showed a wide variety of taxes. There were business licenses, foreign miner's licenses, poll taxes, gaming licenses, and property taxes. Miners had to pay property taxes on their stamp mills and other equipment, including any land that had been patented. Today, 150 years later, we're still paying those taxes! Some things never change.

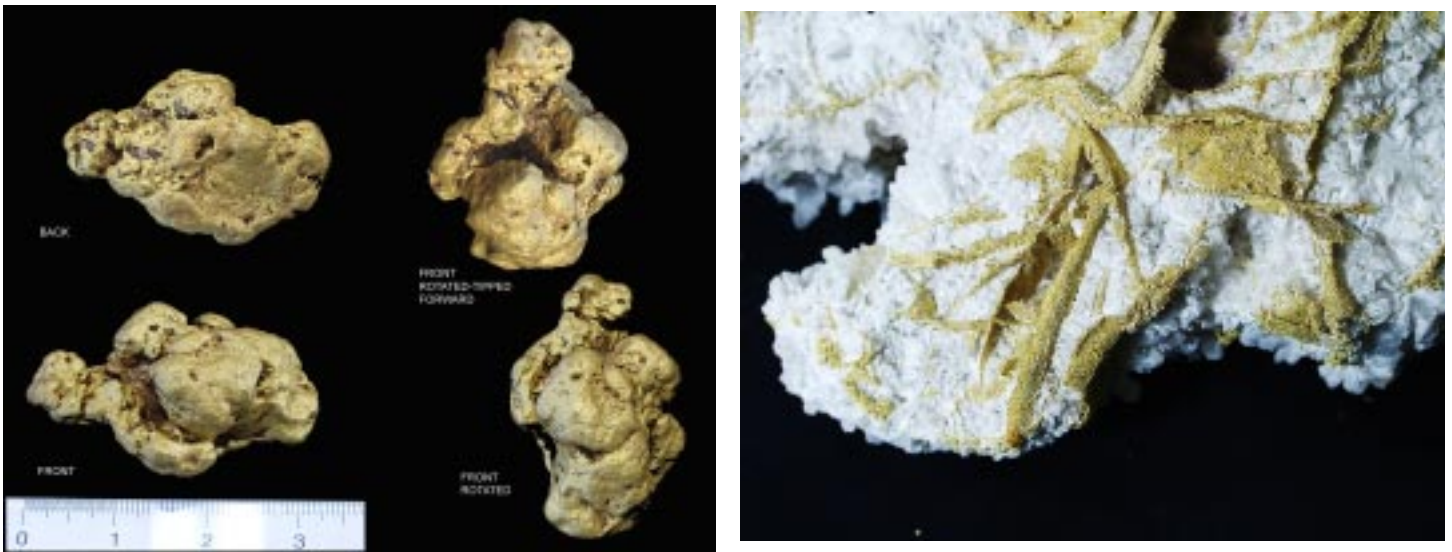
Consider a story about some miners on Hawkin's Bar on the Tuolumne River. This was a very rich strike area that attracted several hundred men. A team of the men working together put their gold in a small mason jar and on the jar had pasted strips of paper at various levels, indicating the amount of gold necessary to buy specific items. Starting near the bottom was pork stew; then, going up, were pork and beans; roast beef and potatoes; canned turkey with fixings; and at the top was oysters with ale. When it was time to get more food supplies the gold level determined what they bought. The answer? The average height was "pork and beans". This gives you an idea about the price of goods!

That's it for now. Thanks.



Calcite and gold from Nevada

Gold found within the past few years. This are being placed as high resolution pictures to see if the quality shows up better after getting converted for the Web. We're still working to improve the newsletter and we're trying to get better quality images when you zoom in on the image. Let's see how this works. Thanks. Don



The top left gold and the bottom were found by Goldhounds



Throughout the history of our country there have been many events to change our course, but none have been more powerful than the “gold bug.” Once bitten, there seems to be nothing as important as finding that precious metal!

Every walk of life has fallen to it, every profession, every nationality, and every generation. It seems that there are no exceptions. More people have been struck with gold fever than any other malady known. It has emptied cities, jails, ships – anywhere there are people. Wars have been waged over it, and fortunes made and lost. The only cure seems to be more of it, and when done without, it flares up with an uncontrollable desire to find it.

A lot of us have the “bug” to some degree, but it would be hard to have it anymore than what our earlier miners showed. Their determination and persistence were remarkable, and the following true events illustrate their “gold fever.”

On Wednesday, the fifteenth of March 1848, the *Californian*, one of the two weekly newspapers in San Francisco, contained the first printed notice of the gold discovery at Sutter’s mill. It ran as follows...”Gold found. In the newly made raceway of the sawmill recently erected by Captain Sutter on the American Fork, gold has been found in considerable quantities...California, no doubt, is rich in mineral wealth; great chances here for scientific capitalists. Gold has been found in every part of the country.”

The census for that month in 1848 showed a population of 810, of which 237 were women and children. Two months later, in May, San Francisco had been almost completely abandoned by its male population. There was less than 50 men left. Gold fever had struck, and the rush was on!

The *Star*, the other weekly newspaper in San Francisco, called it an “epidemic”. On May 27, 1848, the *Star* complained “Stores are closed and places of business vacated, a large number of houses tenantless, various kinds of labor suspended, or given up entirely, and no where the pleasant hum of industry salutes the ear of late; but as if a curse had arrested our onward course of enterprises, everything is dull, monotonous, dead.” Real estate values dropped by one half or more, and all merchandise not used in mines radically declined, while labor rose to ten times its previous cost, if you could find labor available at all.

On May 29th, the *Californian* newspaper folded, and on June 14th the *Star* closed its doors. The whole country was shouting gold! Gold! GOLD! Fields were left half planted, houses half built, and everything neglected but the manufacture of shovels, pickaxes, and transportation means.

Incoming ships had as many difficulties. One ship commander, on observing the problem of losing men, promptly gave the order to put to sea. Not only did his crew refuse, but that night they gagged the night watch, and rowed away. Not long after, a Peruvian brig entered the bay. They saw the many homes, but no one came out to welcome them. In previous trips it had been a celebration when a ship entered the port. They quickly learned everyone was off to the mountains for gold. On that note, that night, the entire Peruvian crew abandoned ship and went off for the gold fields!

The military fared no better. By July 25th, the entire military force was almost non-existent. The officers were as eager to be off as the men, and those soldiers who were not given leave, or liberal furloughs, went without it. At one point the only three remaining military men, General Mason, Lieutenant Lanmar, and Reverent Colton, met for breakfast. The Reverent Colton later wrote “This morning for the fortieth time, we had to take to the kitchen and cook our own breakfast. A General of the U.S. Army, the Commander of a Man-of-War, and the Governor of Monterey, all in a smoking kitchen grinding coffee, toasting a herring, and peeling onions!”

Other events were equally the same:

- One of the first vessels to be deserted was a ship of the Hudson Bay Company. The sailors abandoned ship, and the captain then followed seeking his own fortune, leaving his wife and daughter in charge of the vessel.
- The first steamboat, the *Californian*, on February 28, 1849, was immediately deserted by her crew. The owner, Forbes, asked the military Squadron Commander, Jones, to take charge of the ship. Jones declined. He had no men left!
- A local San Francisco constable had ten prisoners in lockup, but desperately wanted to go to the mines himself. He didn’t want to let the prisoners loose upon a community of now mostly women and children, so he finally took them with him, where they worked contently for him – until others, jealous of his success, incited them to revolt.

All of this was simply the very top of the iceberg during those times. It would have been something to see, and experience! Today many of us have the gold fever as well, and there are some modern stories and experiences that need to be added to the gold rush history of our country!

Reference: “History of California,” Volume 6, 1848-1859, by Bancroft, and published in 1888.

February, other Club News:

We did it and now we are on line with our Newsletter! It took a whole month for me to update our files, etc., and when things finally finished up we had only 18 goldhounds (so far) without access to email. Amazing! The 21st century has truly arrived. This should insure that all of you get your newsletters in a timely manner. Since we won't be dealing with bulk-rate mail (except for raffle tickets due in May) we are hoping to make contact with the members much faster. Thank all of you for your patience with this transition. If you have any problems please let us know so you will also be pleased with the transition..

Thanks to Bill Percy for his expertise and help. Between he and Don they did one heck of a job getting this all put together. Meeting our goal for our 20th year anniversary and going "on-line" makes me very proud of all of you. The newsletter will be out the second week of the month (meetings on Friday) so check it out then.

We received an email from Jim Ruppel and he is adjusting to home life. Jim was in a boat accident on 12/31. What a way to start a New Year Jim! His shoulder is still very painful after the 3 hr. surgery to put it back together with plate and screws. I am sure he would be happy to hear from you, as he is probably lonely and not accustomed to taking it easy. But he will be limited for another 6 months. 916- 933-3965 or j.ruppel @ sbcglobal.net.

BLM Closes Yuba Goldfields: An emergency order was issued by the Bureau of Land Management temporarily closing 160 acres of public land in the Yuba Goldfields area in Yuba County to the use of off-hwy vehicles to protect threatened fish. It has been found that recreational off-road vehicles are entering the river area and damaging critical habitat, including spawning areas. The Goldfields, located eight miles west of Marysville on the Yuba River, are composed of gravel washed down the Yuba River from hydraulic mining activities in Nevada County during the 1870s. The 9,000-acre site was then extensively dredged by drag line bucket dredges to recover gold which was washed downstream along with the gravel, leaving behind large, very steep piles of rocks. Approximately 470 acres of BLM-administrated public land is legally accessible and open for your use from Hammonton Road.

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In the January issue of the ICMJ the winners of the 2007 Photo Contest was announced. First Place winner was Darryl Cook with a picture of "Sample Panning Consummes River," El Dorado County. Darryl won a 1ounce Gold Eagle coin! So when the ICMJ holds their 2008 photo contest I hope we have a Goldhound winner. I am willing to try! After all I could use a Gold Eagle coin! Frank at Pioneer Mining sells this great journal. For the latest in all rules, regulations, gold strikes and mining plus Don Robinson's articles pick up a copy and subscribe.

MEMBERSHIP APP.- MOTHER LODE GOLDHOUNDS, P.O. Box 149, Foresthill, CA 95631
www.goldhounds.com - Email: [goldworld @ hughes.net](mailto:goldworld@hughes.net) - (530) 367-2891 (VM) leave message
\$40.00 Individual or \$45.00 Family (one year) please send check to above address.

() new membership or () renewal - - - - are you interested in the Exploration team? () yes or () no

Name _____
Address _____ Phone _____ email _____
City _____ State _____ Zip _____

I apply for membership in the Mother Lode Goldhounds. I fully understand that whatever recreational event I, or my family, attend that I am responsible and at no time will have legal or financial claim against, nor will hold responsible, any member or club official of the Mother Lode Goldhounds for any damages or injuries by my participation in any event. I will be responsible for my own actions. I have read and understand this release.

Signature _____ Date _____

DON'S EXPLORATION TEAM - email – [goldworld @ hughes.net](mailto:goldworld@hughes.net) or call (530) 367-2891(VM) leave message. You will receive a call or email and it becomes your option to go or not. A rating of 1-10 will be added, 10 being very difficult. The team may not always find gold, but are always looking for new areas to prospect. You should be in good shape, as you never know where Don may take you. If interested send your email so we can add you to the team.

GOLDHOUNDS MEETING SCHEDULE FOR 2008- PUBLIC INVITED

- Mar. 14, Goldhound meeting, 100 East St., Auburn Veterans Memorial Hall, 7-9 pm.
Mar. 13-14 B.L.M. Resource Advisory Committee meets for Don Robinson.
Mar. 29 Outing, time and directions will be in newsletter and email.
Apr. 11 Goldhound meeting, 100 East St., Auburn Veterans Memorial Hall, 7-9 pm.
Apr. 26 Outing, time and directions will be in newsletter and email.
May 9 Goldhound meeting, 100 East St., Auburn Veterans Memorial Hall, 7-9 pm.
May 17 Outing, time and directions will be in newsletter and email.
June 13 Goldhound meeting, 100 East St., Auburn Veterans Memorial Hall, 7-9 pm.
June 13-14 B.L.M. Resource Committee meets for Don Robinson.
June 19-22 Annual Outing – info will follow in newsletter.
July 11 Goldhound meeting, 100 East St., Auburn Veterans Memorial Hall, 7-9pm.
July 19 Outing, time and directions will be in newsletter and email.
Aug. 5 – 12 Colorado State Gold Panning Competition, Goldhounds (U.S.A. Team we think will be there.)
Aug. 8 Goldhound meeting, 100 East St., Auburn Veterans Memorial Hall, 7-9 pm.
Aug. 22-23 Annual Slate Creek Dredging & prospecting Outing. Info. will follow in newsletter and email.
Aug. 29-31 Labor Day – Calif. State Panning Championships. Foresthill Heritage Celebration. Info to follow.

Mtgs. held the 2nd Fri. monthly, Veterans Hall in Auburn, 7:00pm-9:00pm, 100 East St., Take Hwy 80 to Auburn, then Hwy. 49 east, at the first stop light turn right, go one block, turn right again and the Veterans Hall sits on left.

OTHER SPECIAL EVENTS

- Feb. 16-17 GPAA-Fresno Fairgrounds, Fresno, CA call 800-551-9707.
Feb. 18 6th Annual American Heritage Day event, this event is geared toward bringing history to life for the Children. If you have school age children, bring them to the event and support our Goldhound volunteer "Nuggets." They will be teaching goldpanning and helping with the gold rush History. - Mount Vernon Memorial Park. 8201 Greenback Lane, Fair Oaks. Or for info email-ebbitt@sbcglobal.net
Mar. 8-9 Mother Lode Mineral Society, Stanislaus County Fairgrounds, info call 209-524-3494
Mar. 22-23 Roseville Rock Rollers, Roseville (Placer County) Fairgrounds, info call 530-367-5108
Mar. 29-30 GPAA-Oregon State Fair Center, Salem, Or. Columbia Hall call 800-551-9707
April 12-13 GPAA Gold Show - Buffalo Bill's Hotel & Casino, Primm, NV 89019 call 800-551-9707
Roseville Rock Rollers Gem & Mineral Society meets the 2nd Tuesday of each month, Roseville Fairgrounds, Garden Room, 800 All America City Blvd www.rockrollers.com or mail Box 212, Roseville, CA 95678. Or call Florence Brady, (916) 961-6868. E-Mail rockrollers @ hotmail.com.

G.P.P.A. meets every quarter. For info: Jim Hutchings, (530) 367-5108. (Claims) next meeting April 19.

Sacra. Valley Detecting Buffs meet 1st Thurs. of mth. Sac. County Old SMUD Bldg. Corner Elkhorn & Don Julio in No Highlands call 916-987-9336 –www.scramentovalleydetectingbuffs.com.

United Prospectors meets every other month at outings, www.unitedprospectors.com. Info. (510 733-3253) Club has Claims and newsletter every 2months.

American River Gem & Min. Society, meets 3rd Mon. at Granite Bay Library on Douglas Blvd.

Sierra Nevada Mining & Industry Council – Box 1567, GRASS VALLEY, 95945. mthly news letr. & mtgs.

Shasta Miners & Prosp. mtgs. 3rd Fri., Happy Valley Center 5400 Happy Valley Rd. Anderson, 7:30pm. (530) 244-6033.

GOLDEN CARIBOU CLUB, Box 300, Beldon, 95915-(530) 283-5141, www.golden-caribou.com. (Claims)

ROARING CAMP (Claims) Box 278M, PineGrove, 95665, or 209-296-4100 or www.roaringcamp.com

SANTA CLARA MINER'S-CLAIMS-MONTHLY NEWSLETR. - P.O. BOX 2861, SUNNYVALE, 94087

SILVER STATE DET. & RENO PROSPECTORS SUPPLY, 315 Claremont St., Reno (Claims) 89502.

IN CASE OF EMERGENCY THE AUBURN VETERANS HALL PAY PHONE IS 530-888-9861

Bill Percy, Webmaster & newsletr., Kathy Percy, memberships, Carol Ebbitt, Red Hat Ladies and Roving Reporter. Ken Wolley, Refreshments, Lee Buhler, Ken's helper & Avon Lady, Ken & Leona Gardner, Raffle. Jim Kury, Club Name Badges, email: jmkury @ hughes.net or call 530 367-4318. Bill Bowman Director. Merle Litzinger & Bill Bowman, Sergeant-at-Arms. Don Robinson, Pres. & Expl. Leader: Annie Robinson New Members, helper and cook:

ITEMS FOR SALE – FREE TO MEMBERS

White's GMT metal detector, all accessories, including earphones and pen-pointer, \$650 – call Phil 209-463-7989

Plastic coin holders in 3 sizes. I have samples to show at the next meeting, perfect for coin collectors. .25 cents each, lots of them, call Don Evans, 916-781-2474 or see Annie.

MOTHER LODE GOLDHOUNDS NEWSLETTER

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