

# The PAYSTREAK

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**BEFORE  
THE  
DISCOVERIES**

**The great gold discoveries in Alaska**

were made between 1879 and 1910. Collectively these discoveries brought tens of thousands of men and women, American and foreign, to the new territory. Many of these people stayed and joined with Alaska Natives, the first settlers, to form a new outpost of civilization. The first great discovery was made near Gastineau Channel (not far from present day Juneau) in the southeastern part of the territory in 1879. Southeastern Alaska was the best known part of the new country and it had been the seat of the Russian-America colony. The last great discovery was made on Christmas Day in 1908 on Otter Creek in a remote part of southwestern Alaska. This discovery led to the Iditarod Rush in 1909 and 1910. Other discoveries followed but none rivaled the early stampedes. In the years between 1879 and 1910, gold was found on the Seward Peninsula in 1897-98 and in the interior at the site of Fairbanks in 1902. The discovery of gold in the Klondike in neighboring Yukon Territory of Canada triggered the stampedes between 1898 and 1910 in Alaska.

Although the Klondike is in Canada, many stampedeers came from the United States, and to many observers the northern territories blurred together. Even today poet Robert W. Service, who celebrated the Klondike is honored almost as much in Alaska as in his temporary home in Dawson, Yukon Territory.

Other metals, less glamorous than gold, were sought and found. A copper discovery in the Wrangell Mountains in 1899 triggered a copper rush that lasted until 1907 in the Wrangells and adjacent Prince William Sound. At about the same time, copper was found and developed on Prince of Wales Island in southeastern Alaska.

None of these discoveries were, however, the first. Native Americans mined and used copper, marble, and other mineral substances before the Russian colonial period. Russian engineers and explorers knew of gold on the Kenai Peninsula, copper in Prince William Sound, and mercury on the Kuskokwim. They mined coal and burned it domestically and in their vessels during the middle nineteenth century. Detailed examination of scientific documents of Russian expeditions between 1730 and the early nineteenth century would probably show that the Russians had more knowledge of Alaska's mineral estate than generally realized.

**Native**

**Americans**

**The first emigres to the northern part** of the North American continent exploited copper and mineral pigments. Native copper, sometimes associated with native silver, was mined, used, and traded by Athabaskan Indians of the Ahtna and Tetlin bands and by coastal Eskimos on Prince William Sound. Trade lasted for hundreds of years, perhaps longer. The Ahtna group in the Wrangell Mountains had a 'copper river,' the Chitina, also a copper-stone and copper-water (stream), respectively the Chitistone and the Chititu. Although the Natives probably mainly exploited placer deposits of copper metal, they also knew of hard rock or lode occurrences. Chief

Nicolai of the Ahtna band gave prospectors of the Chittyna Company directions to the bornite-rich lode that they named after him. Nicolai was sufficiently knowledgeable about the effects of mineralization that, in 1885, he told Lt. Allen of the U. S. Army that the Chititu had so much natural pollution that salmon did not ascend that creek. The Tetlin Indians of the northeastern flank of the Wrangells had their own copper occurrences one of which they showed explorers Frederick Schwatka and Charles Willard Hayes in 1891.

Coastal Eskimos of Prince William Sound had their own copper occurrences, but they appear to have abandoned the copper trade before the interior Indians did. Perhaps because of the introduction of iron by Russians and other foreigners, coastal Eskimos no longer needed native copper for knives, spears, or utensils. They, however, continued to use powdered copper minerals for pigments for their bidarka paddles. In the early twentieth century several wheelbarrow loads of ancient stone hammers were found at the site of the Big Bonanza copper mine on Latouche Island in the Sound, evidence of early mining of native copper from the gossan or iron-cap on top of the lode. The occurrence was noted by engineer Lincoln in the first scientific publication on the Big Bonanza. Lincoln also noted that local Natives led prospectors to the outcrop of the Big Bonanza and the location of the Ellamar mine on Prince William Sound. Longtime Prince William Sound boatman Billy Pay also told anthropologist Fredrica de Laguna of the hammer discovery at the Big Bonanza. Other northern Native American people lacked the mining tradition of the Ahtna but mineral licks, poisoned streams and other evidence of metallic mineralization must have been part of the resource knowledge of Indian, Eskimo, and Aleut people of the north.

Other Natives mined and traded in amber and in high-grade marble. Naturalist William H. Dall reported the occurrence and use of amber from lignitic deposits of the Fox Islands of the Aleutians. Other Aleuts traded amber from Umnak, Amber Bay, and Unalaska. Southeastern Indians mined and carved figures in pure marble from Lynn Canal and the Sitka area in southeastern Alaska.

Explorers

and

Exploiters:

Russians

And

Others

Russians began the exploration of their own far-east in about 1646 when Ignatief pushed eastward of the Kolyma River and traded with Coastal people, the Chukchi, for fossil ivory. The Natives told him of a mountainous land occasionally visible to the west. Over the next three-quarters of a century, explorers found the mouth of the Kolyma, the Anadyr, the Kamchatka Peninsula and founded Yakutsk. In 1711, Peter Popov, on a visit to the Chukchi at East Cape, heard rumors of the Diomed Islands and a continental mass east of the Diomedes. Perhaps reminded by Popov's report, Russian scientists urged government sponsored exploration of the region to Peter the Great. Peter drew plans for exploration, which were implemented by Russian explorers at the direction of Empress Catherine and her daughter Elizabeth after the death of Peter in 1725. Apparently the first Russian explorers to actually sight Alaska were Federov and Gvozdev who sighted the mainland at Cape Prince of Wales and, probably, King Island in 1732. The more extensive Great Northern Expedition was organized between 1733 and 1740 by Vitus Bering, assisted by Aleksei Chirikov and Martin Spanberg. The critical explorations were carried out in 1741 by Chirikov, commanding the *St. Paul*, and Bering, commanding the *St. Peter*. Chirikov made the first landing on the American coast. A landfall was probably on Noyes Island west of Prince of Wales Island, but Chirikov landed a party on Yakobi Island near Cross Sound. A well-armed party did not return from the landing; perhaps they were killed by natives or perished in a boating accident or some other unfortunate incident. On his return voyage to Siberia, Chirikov sighted the St. Elias Range, the Kenai Peninsula, Afognak and Kodiak Islands, and Umnak. Bering made a landing on Kyak Island in Prince William Sound. The famous naturalist Georg Wilhelm Stellar made his North American observations during that brief stop.

The earliest Russian voyages of exploration discovered no mineral wealth, indeed they were so fleeting that few scientific discoveries of any kind were made. But there is little doubt that the early expeditions sought minerals. On one of the ancillary voyages undertaken at the same time as Bering's, Shestakov, a Yakutsk cossack commander, explored northerly along the Siberian mainland. He was accompanied by Herdebal, "a searcher for ores." A larger potential effort was part of Bering's expedition. According to Bancroft, Bering's command included an assayer and six mineralogists. Unfortunately none of Bering's scientists had time for an adequate appraisal of the land. Bering's men did find that Alaska Natives on Prince William Sound possessed copper. Khitrov, who with Stellar took one of two small boats ashore on Kyak Island, found a whetstone used by the Natives for sharpening copper tools. Pioneering Russian expeditions did discover the sea otter, which proved more valuable than gold for the next one hundred years. Explorers for Spain, France, and England also visited the new land, but appear to have had less interest in minerals than the Russians.

As the sea otter was depleted and colonial costs escalated, there was a renewed interest in prospecting. One opportunity, not followed up, was in the Kuskokwim. By about 1838, Russians were aware of mercury (mainly cinnabar) deposits near Redoubte Kolmakov in the lower Kuskokwim. More systematic efforts were initiated from 1848 to 1853 by Russian mining engineer-geologist Petr Doroshin. In the fall of 1848, Doroshin found placer gold in several streams draining the Kenai Peninsula. Later that year, Doroshin was sent with a party to trade in California and to investigate the newly discovered gold fields there. Doroshin proved an able miner. With a small crew from the *Menshikov*, Doroshin mined more than eleven pounds of gold, an amount sufficient to purchase a three-masted sailing ship and to transmit 39,000 rubles worth of gold and silver coins to Sitka.

Doroshin returned to the Kenai in 1850-51 and made further discoveries of gold. In 1852, official interest turned to coal, then easily saleable on the Pacific Coast. On a wide-ranging expedition Doroshin found coal at Port Graham (English Bay) and at other localities around Cook Inlet. His search took him to Iliamna, the Kvichak and Naknek Rivers, then to Unga Island in the Shumagins before he returned to Sitka and left Alaska. The coal deposit at Port Graham was, however, developed by Enoch Hjalmar Furuhjelm, a Finnish mining engineer for the Russian American Company between 1855 and 1860. Furuhjelm shipped 800 tons of coal to California, but unfortunately coal had been discovered closer to San Francisco and Alaska coal could not compete. Furuhjelm noted, "Although the deposits are not as good as ours, they were advantageous owing to the short haul." About 5,000 tons of coal were mined and a substantial village constructed - the largest in the colony except for Sitka and Kodiak. Furuhjelm's contract expired in 1862; it was essentially the end of the Russian village.

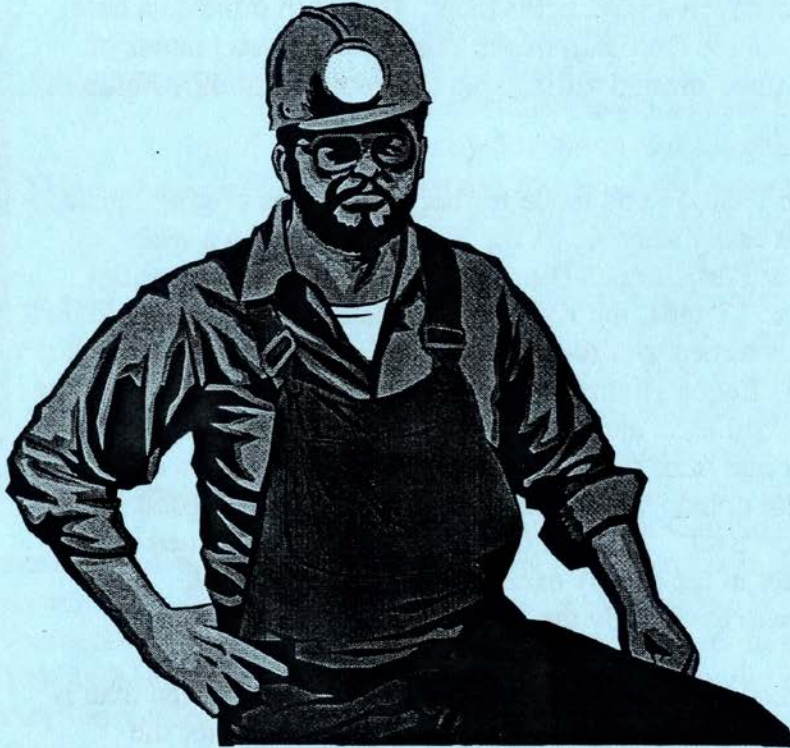
Possibly there was more widespread knowledge of Alaska's mineral wealth than is now evident. William H. Dall, who succeeded Robert Kennicott as chief scientist for the Russian American Telegraph expedition, reported many occurrences in 1870, including numerous coal deposits from southeastern Alaska, through Cook Inlet, westward to the Alaska Peninsula and the Aleutian Islands. He believed that the coal in Cook Inlet was especially promising. Dall also reported deposits of non-metals, amber, marble, and sulfur. He speculated that the gold deposits on the Kenai Peninsula and others on Kodiak Island were related geologically. Dall also reported gold in southeastern Alaska, "on the bay on which the Taku villages are located," also copper in the Prince William Sound region, and galena near Sitka and on Kodiak Island. He thought that sulfur, then widely used for gun-powder, was the next most important Alaska mineral substance after copper and coal.

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## NOMINATION DOCUMENTATION NEEDED

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John Beaton

Peter Miscovich

David Strandberg

Fullerton Family

The Foundation requests priority nomination information on the camps at Flat and at Fairbanks and Nome. Documentation at Flat is needed for discoverer John Beaton and his partners, also Peter Miscovich, David Strandberg, the Fullerton family, and other pioneers.

Thanks to input from the Ostnes family, we have sufficient documentation for Lars Ostnes, and one later Flat miner, Andrew Olson, has been inducted.

At Nome, we need information on the most appropriate nominees for the Hammon Consolidated Mines, and its successors, USSRM and the Alaska Gold Company. At Fairbanks, we need information on the Fairbanks Exploration Company. We have already scheduled the induction for mining company founders James M. Davidson, Wendell P. Hammon and Norman C. Stines. Now we need the engineers and miners who made these camps successful. P

## **Previous Inductees, Alaska Mining Hall of Fame**

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The three Alaskan mining pioneers inducted in the March, 2000 ceremony in Fairbanks joined 25 others previously inducted in four ceremonies held during 1998 and 1999 in Fairbanks, Nome, Juneau, and Anchorage.

The six charter members of the AMHF Foundation--Stephen Birch, Frederick Bradley, Alfred H. Brooks, John Treadwell, Earnest Patty, and Clarence Berry--were previously elected into the National Mining Hall of Fame in Leadville, Colorado.

Yukon River traders Will Mayo, Jack McQuesten, and Howard Franklin, Athabaskan miner and gold discoverer John Minook, and Fairbanks district founder Felix Pedro were inducted during the 16th Biennial Interior Mining Conference held in Fairbanks in 1998. That same year, at Nome's Centennial celebration, the three 'lucky Swedes' - Erik Lindblom, Jafet Lindeberg, and John Brynteson - and gold rush mine-backer Charles Lane were added to the list.

In May 1999, AMHF induction ceremonies at the Juneau-Douglas Museum added four more pioneers. Joe Juneau, Richard Harris, George Pilz, and Tlinkit leader Kawa'ee were all associated with the early gold discovery era of what became Alaska's capital city.

Three more mining leaders were inducted during the Annual Alaska Miners Association in Anchorage in early November of 1999: platinum miner Andrew Olson, coal pioneer Evan Jones, and mine innovator/geologist W.E. Dunkle

The last induction ceremony held was in March 2000 in conjunction with the spring Miners Convention in Fairbanks. At this time, the foundation inducted famed USGS scientist John Mertie; Emil Usibelli, the founder of Usibelli Coal Mine Incorporated; and our first woman, Fannie Quigley.

The next induction is scheduled for Southeast Alaska in the spring of 2001.

## **Fairbanks 2001 Induction Planned**

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Three individuals of the utmost importance to the history of both Fairbanks and Nome will be inducted in the summer of 2001 in conjunction with Fairbanks annual celebration of Golden Days. They are Norman C. Stines, James M. Davidson, and Wendell P. Hammon. They were movers and shakers in the formative stages of the F.E. Company at Fairbanks and Hammon Consolidated Gold Fields, which in 1938 became the U.S. Smelting, Refining and Mining (USRRM) operation in Nome.

Hammon was known world wide as the Dredger King. In Alaska, he was a backer of the Alaska Gastineau mine at Juneau, subsidized the new process of cold water thawing, and brought the first three large dredges to Nome. James Davidson was the man behind the Miocene Ditch at Nome and conceived the Davidson Ditch for Fairbanks. Norman Caswell Stines was a controversial promoter; his finest hours were at Fairbanks working with Hammon and Davidson in planning what became the F.E. Company.

In the early 1920s both Fairbanks and Nome were in danger of becoming ghost towns. The high-grade ores were gone and the communities lacked a broad development base that could operate without mining. The successful mining of large low-grade reserves enabled both communities to advance to the next stages in their development history. Stines, Hammon, and Davidson had the ability and vision to make the transition possible.

## **Distinguished Alaskans Aid Foundation as '98ers**

The Alaska Mining Hall of Fame Foundation was incorporated as an Alaskan non-profit corporation on April 27, 1997. The Foundation was organized exclusively for educational and charitable purposes, including donations to organizations that are tax exempt under Section 501(c)(3) of the federal tax code. The foundation is a non-membership corporation that depends on services provided by its officers and directors, others interested in Alaskan mining, and on donations and grants.

The Foundation is especially indebted to eleven persons who have each contributed \$1,000 to become 98ers, in honor of the first stamperders to Alaska in 1898 at Nome.

### **The 98ers**

|                    |                    |
|--------------------|--------------------|
| Earl Beistline     | Patrick H. O'Neill |
| Thomas K. Bundtzen | Elmer E. Rasmusson |
| Douglas Colp       | Robert H. Trent    |
| Walter Johnson     | Joe Usibelli, Sr.  |
| Wallace McGregor   | William R. Wood    |
| John Mulligan      |                    |

Most of the 98ers are recognizable as miners of national or international reputation. But William R. Wood is President, Emeritus, of the University of Alaska. Dr. Wood suggested the organization of the Foundation. Elmer E. Rasmusson is Alaska banker and benefactor, long interested in Alaska natural resource history. Dr. Walter Johnson's career was mainly in Native public health, but he knew many pioneer Alaskans. His own research has taken him to Sweden and Norway in search of the true story of the so-called "three Lucky Swedes" of fame at Nome.

The Foundation is seeking about ninety more 98ers, but it welcomes contributions at every level. For further information contact:

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1212 N. Washington, Ste 12  
Spokane, WA 99201

Or

Karl Hanneman, Treasurer  
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