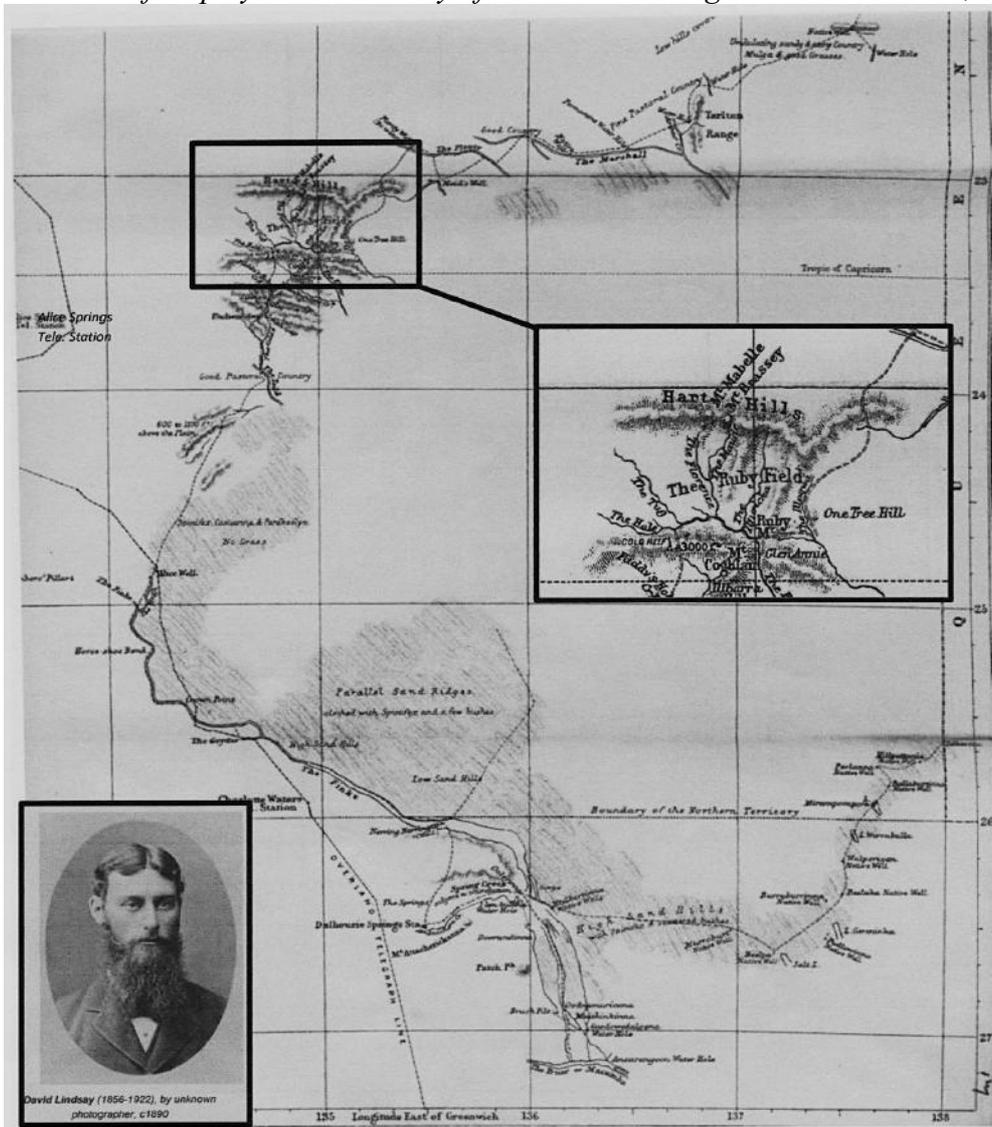


‘The Rush that Ended’: The Quest for Rubies in Central Australia

By JIM ENEVER

Like a guide to King Solomon’s Mines, the map published by David Lindsay of his travels through central Australia marked the way to the fabulous riches of the ‘Ruby Field’ discovered in the East MacDonnell Ranges by Lindsay’s exploration party in March 1886 (Fig.1). The discovery sparked a rush to the area that had parallels to the gold rushes in the eastern states some 35 years earlier. Unlike the gold rushes of previous times, however, the ruby rush to the MacDonnell Ranges ended as quickly as it started when the true value of the gems was revealed.

Figure 1: Part of map by David Lindsay of his travels through central Australia, 1885-6.

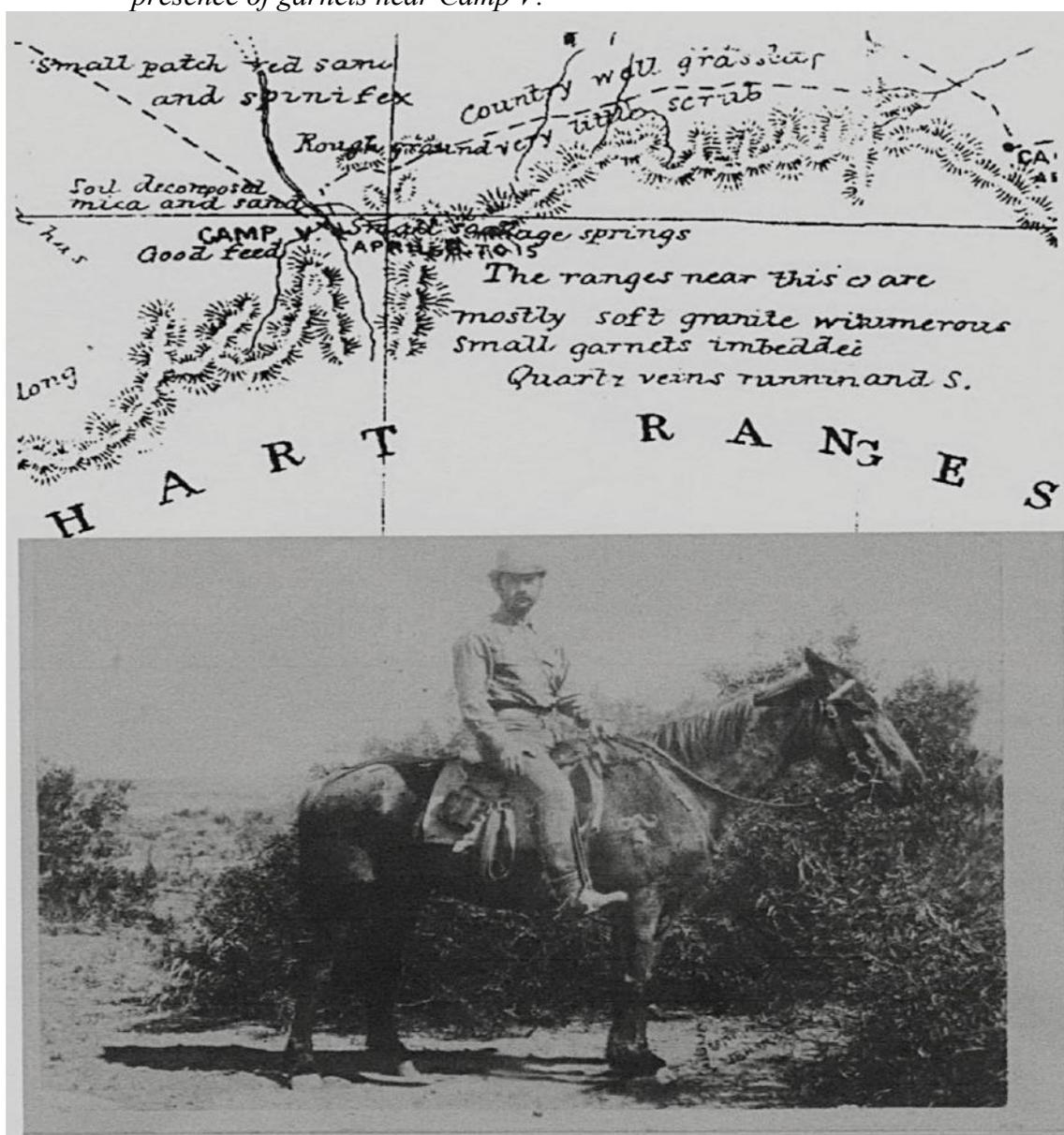


Source: Lindsay D, ‘An Expedition across Australia from South to North, between the Telegraph Line and the Queensland Boundary in 1885-6’, *Royal Geographical Society and Monthly Record of Geography Vol. xi*, London, 1889. Photo of Lindsay from *Australian Dictionary of Biography*, vol. 10, MUP, 1986.

The discovery.

Some uncertainty exists as to the true details of the discovery. In Lindsay's own accounts of his travels, he claims to have made the discovery personally.¹ An entry in Lindsay's journal for 8 March 1886 describes the discovery of a granite bar 'completely studded with garnets or rubies' in the bed of a creek.² A later entry for 10 March claimed that 'the granite of which this range is composed is studded with rubies or garnets'.³ It would appear from this that at this time, Lindsay believed that a valuable discovery of rubies might have been made, or that the stones may have been much less valuable garnets. In fact, garnets had been previously reported in the general area, and in a similar geological setting, by Henry Barclay during his explorations of 1878 (Fig. 2).⁴ Barclay was apparently in no doubt as to the nature of the red stones he discovered, even nominating them as being garnets of the Almandine variety.

Figure 2: Map of part of the exploration route of Henry Barclay in 1878, recording the presence of garnets near Camp V.

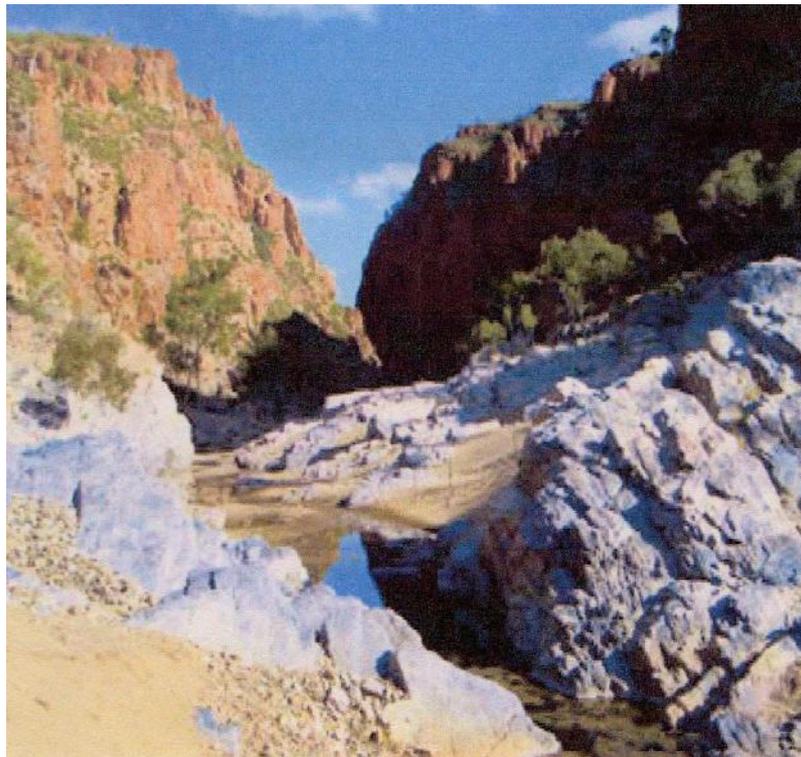


Source: H. Barclay, 'Plan showing Explorations Between Alice Springs and the Eastern Boundary of the Province', *SA Parliamentary Papers*, 1878. Photo from the State Library of NSW picture collection, P1/2048.

A much more specific account of the discovery is given in Lindsay's paper to the South Australian Branch of the Geographical Society, compiled after his return to Adelaide

Still travelling eastward we found water in the sand in a few places, and tin in a granite hill, also a bar of granite completely studded with garnets crossing the creek. Just above this point, when scratching for water under a rocky cliff, I found a quantity of beautiful gem sand, containing many garnets and some red stones of great brilliancy, which, after careful examination, I believe to be rubies; calling the attention of the members of my party to this discovery, which may prove of great importance to Central Australia, we passed on to find a large deposit of these beautiful stones at the entrance to and in a wild and romantic gorge, which I named Glen Annie after my wife [Fig. 3].⁵

Figure 3: *Glen Annie Gorge.*



Source: Ruby Gap. Parks and Wildlife Commission NT website.

In an interview with a newspaper some time later, Lindsay reasserted his claim to be the discoverer.⁶ However, in another newspaper account the discovery is credited to one of Lindsay's party, Arthur Warman. In this version of events a description of the circumstances claimed that:

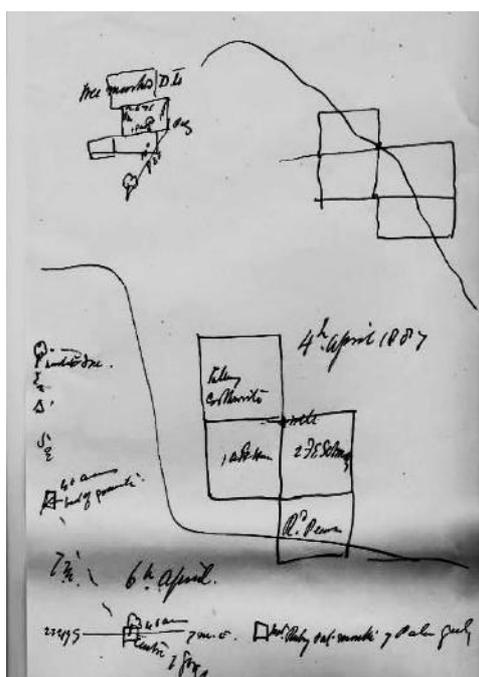
One day Lindsay's party had camped for water. Warman was out looking for the precious fluid when, lying under a bush to rest and get out of the heat, he saw some glittering red stones in the bed of a creek. On going into the creek he picked up some large ones, and holding them up to catch the sun's rays, saw that they glittered brilliantly.⁷

Whatever the truth of the matter, it was the actions taken by Arthur Warman after the return of the exploration party to Adelaide that was to be the prime driver of events leading to the rush.

The genesis of a rush.

On the return of Lindsay's exploration party to Adelaide, Warman showed the stones he had collected to 'a jeweller, who, on submitting them to a test, said that they were rubies. Warman was introduced to Mr Pearson. The latter had the stones tested again with a like result'.⁸ From this point, Pearson became the driving force. Richard Pearson was a member of the family 'house, land and general agency business' in Adelaide, started by his father, Samuel Crawford Pearson.⁹ As soon as he became convinced of the potential value of the discovery, Pearson was galvanised into action. A syndicate of eight parts was formed to test the prospect, five shares being initially subscribed.¹⁰ On 4 April 1887, applications were lodged for four, 40 acre mineral licenses on the Hale River, covering what the syndicate believed might be prospective country.¹¹ The applications were in the names of individual members of the syndicate, collectively referred to as 'Pearson and Co'. Only sketchy detail of the location of the claims was provided with the application, based on reference to a well in the bed of the Hale River presumably noted during Lindsay's expedition.¹² The sketch plan shown as Fig. 4 was apparently a notional construction of the requested claims.

Figure 4: Plan showing approximate location of mineral licenses applied for by Pearson and Co, 4 April 1887. Reference point marked as well in bed of River Hale. NW block ascribed to Tullie Wollaston, W block ascribed to Arthur Hawson, E block ascribed to Freidrich Schneider, SE block ascribed to Richard Pearson.



Source: Correspondence to the Minister controlling the NT, Item No 269, 1887, State Records of SA.

A party was quickly put together to return to the area of the discovery and collect a larger sample of the stones. Richard Pearson was appointed leader, the other members of the party being Hawson, Arthur Warman and his brother Edward Warman.¹³ The party left Adelaide at the start of April 1887, travelling by train to Hergott Springs (Maree) and thence by camel onward via Alice Springs. Care was taken throughout their journey to keep the true destination concealed, press reports referring to the discovery as being near to Barrow Creek.

The party reached the ruby fields on 23 May. For the next two weeks, the party prospected the area and set about collecting stones with a mix of excitement and uncertainty as to the true commercial value of what they were collecting.¹⁴ In two weeks, 'between 30,000 and 40,000 stones were obtained' by a process of wet panning in the creek beds.¹⁵ The largest single stone was found on the surface, and was later valued at £8,000 according to Pearson.¹⁶ The party arrived back in Adelaide with their samples on 15 July.

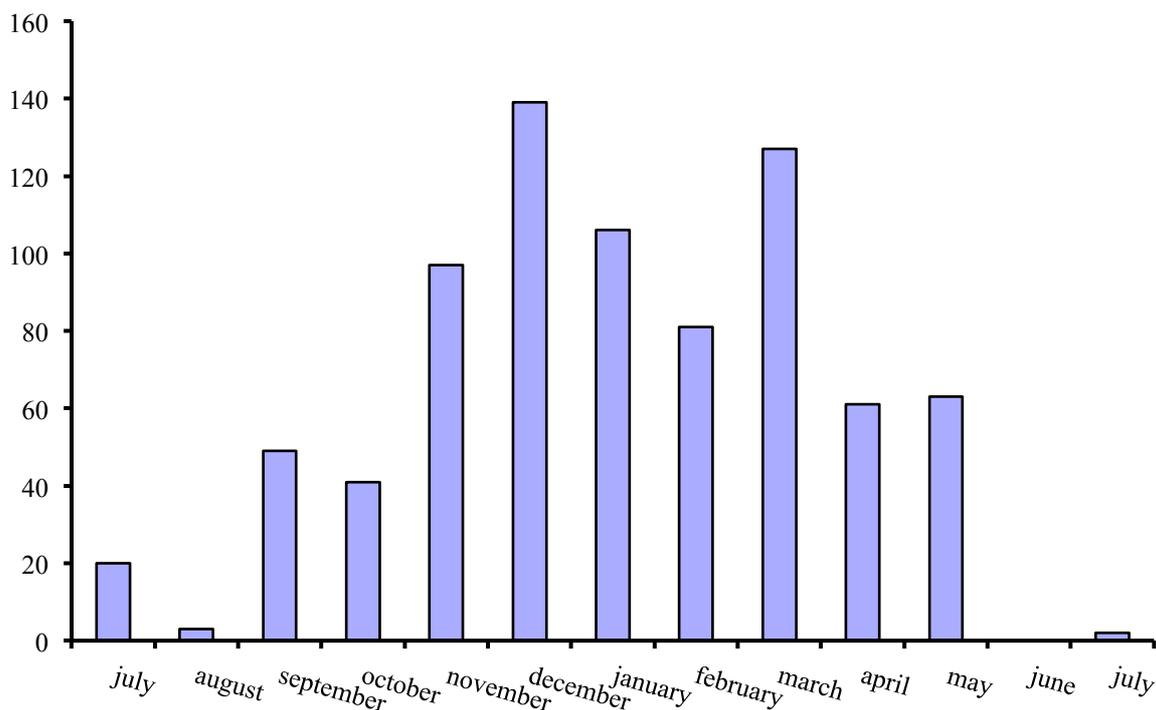
On 16 July 1887, a follow up application was made by Pearson and Co. to more rigorously define their claim boundaries.¹⁷ In this application, the location of the blocks was tied to a marked tree cited as a reference point by Lindsay in a claim he had made on 6 April 1887 (Fig. 4).¹⁸ This action brought the claims into line and arranged them to follow the course of the river as contiguous blocks (Fig. 6).¹⁹ Over the next two weeks, the syndicate set about having the stones valued, as rumours of the discovery started to spread. Newspaper accounts describing local experts declaring the stones to be rubies and garnets were plentiful.²⁰ To add to the excitement, a display was set up in Samuel Pearson's office where, 'Exhibited in a glass case nearly 2 feet square is a thick layer of the stones varying in shade from a dark to a very light red. There are thousands upon thousands of them'.²¹ When Pearson returned from a trip to Melbourne whence he had taken stones to seek the opinion of 'eminent experts' with the news that many of the specimens were 'pure rubies', the scene was set.²² By this time it appears to have been common knowledge that the stones had come from the East MacDonnell Ranges, not from near to Barrow Creek. The rush was on.

The dimensions of the rush.

After some pre-emptive claims by associates of Pearson and Co. in June 1887²³, and a relatively quiet period in July and August 1887, the rush to lodge claims got up a head of steam in September 1887 (Fig. 5). Over the next nine months, application for licenses went on at a phrenetic pace. Like an expanding nebula, applications were made for abutting claims extending out from the original claims along the system of creeks and rivers feeding into Glen Annie (Fig. 6). By December 1887, one newspaper report was able to claim: 'The Hale, Florence, and Maud Creeks have been "taken up" so extensively that there are more miles of claims than miles of creek'.²⁴

When all the prospective acreage along the watercourses had been taken up, applications were made for claims away from the creeks in areas where gems might be won from 'matrix rock' rather than from river alluvial. By mid 1888, an area of nearly 600 square miles was peppered with some 800 claims of 40 acres each. The claim mania that swept Adelaide bore similarities to the speculative behavior that had occurred previously, and was to occur later, on many mineral fields throughout Australia. The extent to which this mania translated into feet on the ground was another matter. Sporadic contemporary accounts of visits to the field in newspapers suggested that the numbers occupied in working the river alluvial as individuals or small parties might have grown from around 40 at the end of 1887²⁵ to 60 plus in early 1888²⁶, reaching a peak of perhaps 200 to 300 by mid 1888.²⁷ There is no contemporary evidence of what might be called systematic mining to extract the stones from the 'matrix rock' during this period. A feature of this period was the apparent disconnect between activities occurring on the field and the process by which claims were being made back in Adelaide.²⁸

Figure 5: *Monthly applications for Mineral Licenses on the Ruby Field, July 1887 to July 1888.*



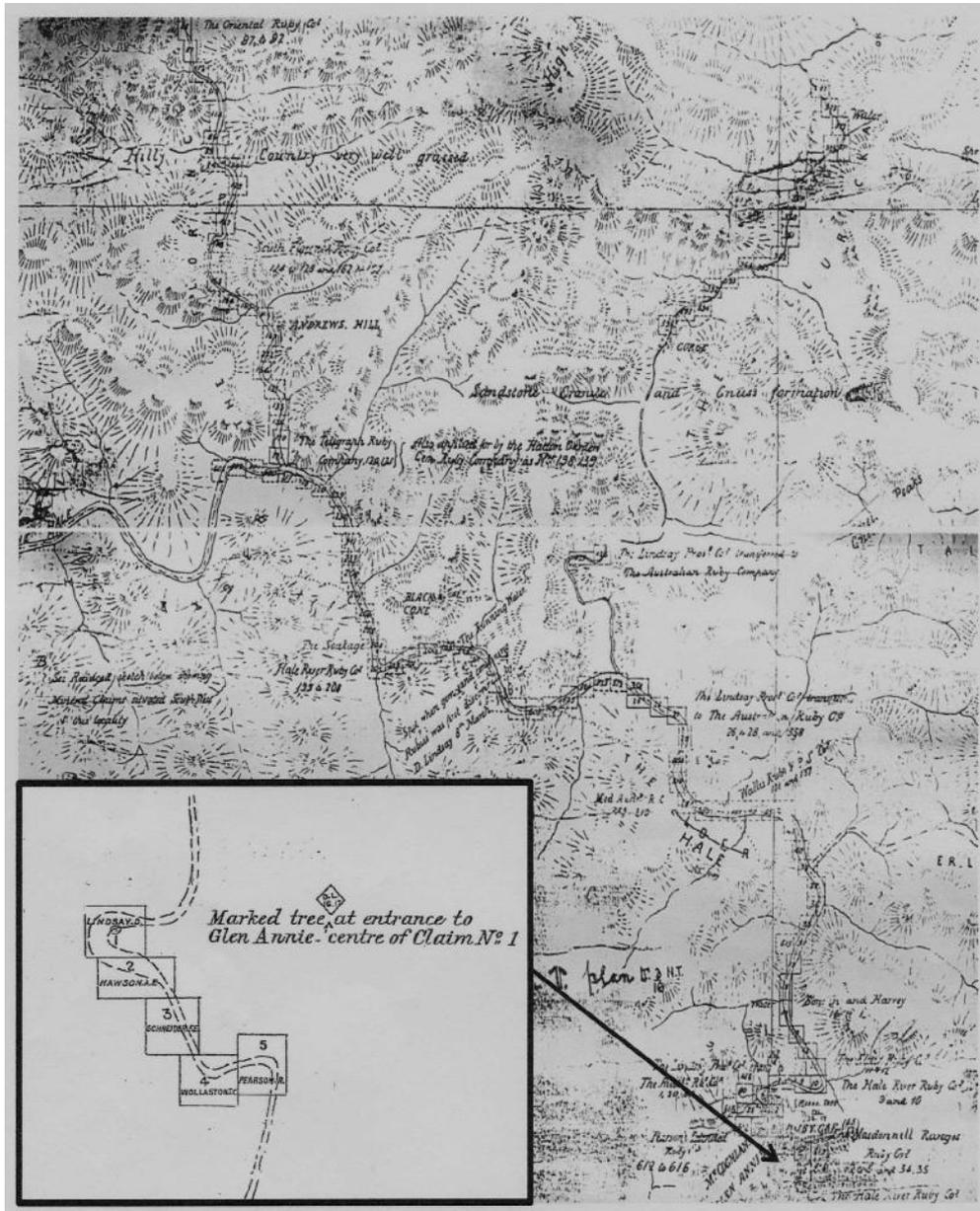
Source: Northern Territory applications for mineral licenses, April 1887 – July 1888, State Records of South Australia, GRS/16.

The ruby companies.

On 24 August 1887, when the rush for claims was just getting underway, the original syndicate formed itself into a limited liability company under the name of the MacDonnell Ranges Ruby Mining Company Ltd.²⁹ The initial shareholders included the members of the original syndicate, less Richard Pearson, and with the addition of Samuel Crawford Pearson, Edward Warman and Edwin Saint, an Adelaide accountant. Of the available 100,000 shares, 62,000 were subscribed at the time of incorporation. A stated aim of the company in its articles of association was to acquire and work the original claims of Pearson and Co., (claims 2, 3, 4 and 5). A further two adjacent claims (No's. 34 and 35 in the name of Samuel Pearson and Edwin Saint respectively) were added a short time later. The claims were later amalgamated into two mineral leases, No's 48 and 49.³⁰

In the months that followed, a further 23 companies were reported to have been formed to work the rubies.³¹ Of these, 18 were incorporated in South Australia in the period from November 1887 to June 1888.³² These companies generally had the expressed aim to acquire and work groups of claims, either held by the proprietors and/or acquired from third parties. In some cases, the claims were amalgamated into mineral leases. The sites of activities of some of the companies are shown in Fig.6. The prospectus for the Florence River Ruby-Mining Company Ltd. shown in Fig. 7 illustrates the method used to finance these companies. The common practice was to issue a parcel of partly paid and/or fully paid up shares to the proprietors, reserving the option to raise capital by a call on the un-paid portion of the shares while leaving open the prospect of trading the shares at their face value on the open market. In some cases, a number of shares were reserved for sale to the public.

Figure 6: Part of Map, 'The Central Australian Ruby Field, MacDonnell Ranges, Northern Territory of South Australia', with location of original claims by David Lindsay and Pearson and Co (No's 1 to 5) shown superimposed.



Source: Maps titled 'The Central Australian Ruby Field, MacDonnell Ranges, Northern Territory of South Australia' and 'Map of ruby claims near Glen Annie, December 1, 1887', NT Department of Minerals and Energy.

On the ground

The major companies set up tent depots at Glen Annie, appointed managers to oversee operations on their claims, and put together small teams to work the river gravels.³³ One newspaper article described the occurrence of the gems thus:

The stones lie for the most part on the lower side of the huge boulders and bars of rock that stud the creek, and are found in pockets similar to gold. As the bed of the creek is

covered in loose sand much labour is involved in shifting surface stuff before the level on which the stones lie is reached.³⁴

While some early reports suggested that the surface supply of gem gravel was apparently inexhaustible, other reports described sinking taking place from fairly early times, following the pattern established during the eastern states gold rushes.³⁵ Newspaper reports were at odds as to whether there was any relationship between the quality of the stones and the depth from which they were recovered.

Trooper John East in a geological report he prepared for the South Australian Government based on his travels through the region in 1888 gave a near contemporary account of activities on the field.³⁶ East's report also gives insight into the nature of the relationship between white miners and the local aboriginal population.³⁷ In his report, East described the activities of the 'ruby pickers' engaged by the companies:

As a general rule a "ruby picker" having obtained employment ... furnished himself with a help mate in the form of [local Aboriginal women] ... Arrived at the scene of operation the man dug or shoveled up the creek shingle into a small sieve and after sifting out the smaller particles scattered the remaining larger particles in front of the squatting form of his able partner. Some of these [Aboriginal women] developed surprising acumen in distinguishing the better class from the inferior quality stones, and whenever a better stone than usual appears the white workers attention was called to it and that particular stone ... was immediately transferred to the workers pocket for submittance at some more convenient period to the examination of an expert, should one appear on the scene ... Stones which do not call for special attention go into the "company bag" and in due course of time find their way down country to market.³⁸

Judging by the financial statements of the companies, the general system of working does not appear to have become any more elaborate with time than as described by East, the majority of company funds going into wages and stores rather than plant or tools.³⁹

Apart from the apparent 'loss' of stones to the pockets of their workers, the companies also suffered losses from their claims by means of trespassers. East made comment on this in his report. One contemporary newspaper account described the circumstances thus:

The richest portions of the field, as now known, are owned by companies ... The creeks now being worked for ruby stones are the Florence, Maude, Tug and Hale, all owned by companies, yet there are many parties ruby hunting who have no claim to any portion of the ruby fields whatever, and the ruby companies' managers are obliged for the present to put up with the trespass.⁴⁰

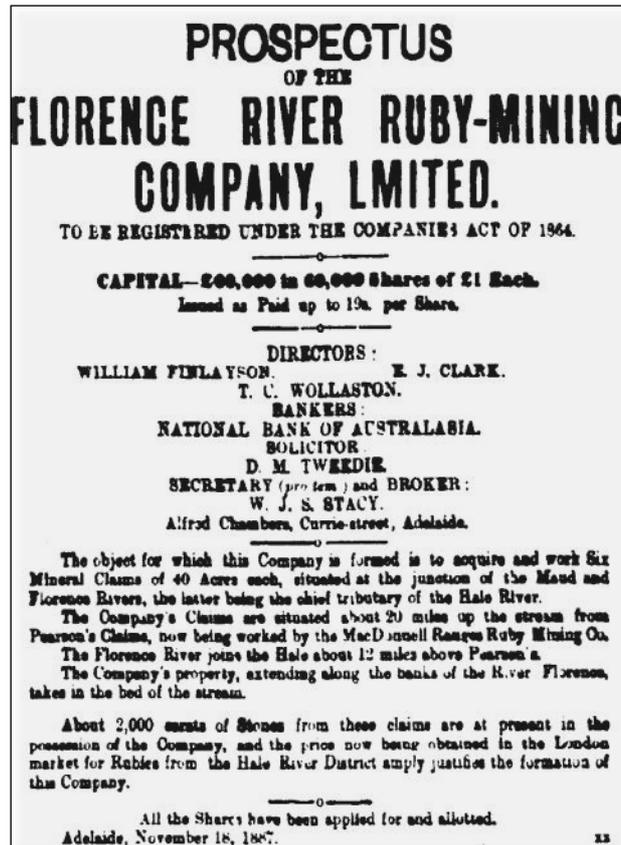
Despite the obvious potential for conflict, serious confrontations do not appear to have been common, one newspaper account by a visitor to the field claiming;

I observed at all the camps I visited nothing but good order and regularity, no rowdyism visible wherever I went. The troopers stationed near Alice Springs are regular in their visits to the field, but so far their presence has not been required.⁴¹

At the height of the rush, in mid 1888, there were two stores on the field dealing in 'provisions and other goods at enormously high prices, and very often without anything to sell'.⁴² Two butchers supplied the field with beef and mutton of 'excellent quality and at a

reasonable price'.⁴³ Agitation for a mail service to the field occurred, but apparently without success. The camp cooks who kept the workers fed appear to have had a favourable arrangement, being 'paid from £2 to £2 10s per week, with the privilege of collecting ruby stones for their sole benefit'.⁴⁴ These workers were claimed to be 'doing better than the companies that employed them'.⁴⁵

Figure 7: *Prospectus for the Florence River Ruby-Mining Company Ltd, November 1887.*



Source: *The South Australian Register*, 19 November 1887.

Race relations on the ruby fields appear to have been generally harmonious. The 'Afghans' who brought supplies to the field and transported out the stones on their camel trains made up the major ethnic group after Europeans and Aborigines.⁴⁶ The trespassing activities of this group appear to have become a source of unrest at times.⁴⁷

What's in a name?

'Rubies or Garnets?' - The resolution of what should have been a simple question was at the crux of the fortunes of the field. From the time of discovery, a perception grew that scattered among what were commonly accepted as garnets of no great value, were stones of relatively greater brilliance, higher hardness and lower fusibility than generally attributed to garnet. It was these stones that were to become the centre of attention and be classified as rubies of considerable value by 'gem experts', both within Australia and in overseas countries where the stones found their way.

During the latter part of 1887, and particularly during 1888, Australian newspapers abounded with conflicting points of view as to just what these stones were. One letter to the *South Australian Weekly Chronicle* summed up the controversy:

There seems to be a good deal of misapprehension in reference to the gems which are being found so extensively in the Northern Territory. They are rather indiscriminately called "rubies", being of a red colour, but are regarded in different lights by two opposite classes of people. One class, the unbelievers, denounce them as comparatively worthless, because probably there are but few rubies in the bulk; while the other, or at any rate the majority of the other class, are carried away with the notion that the larger portion of them are real rubies or gems of great value. ... It appears to me that both classes are wrong- those who condemn the discoveries as worthless, because the greater number of stones may be inferior in value; and the others because they delude themselves into the belief that the most of the stones are real rubies. It is my opinion that there may be 2 or perhaps 5 per cent of very valuable stones amongst them, and probably a larger percentage of stones that would pay to have cut and polished; but they require very careful selection by persons well acquainted with these gems. From careful consideration of the various reports of experts ... I have come to the conclusion that the bulk of them, if entitled to be called rubies, are of a variety peculiar to Australia, and not exactly identical with the finest oriental rubies, whose value (over a certain size) exceeds that of diamonds.⁴⁸

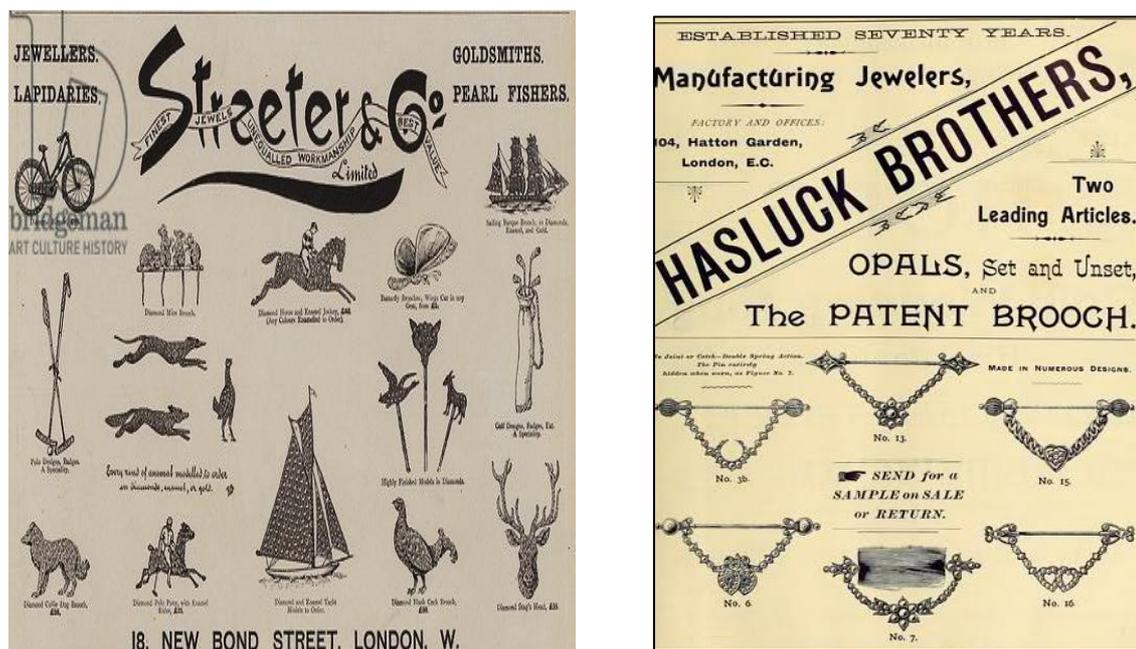
The debate regarding the true nature of the stones was driven in the public domain primarily by parties with their own agendas and based largely on subjective impressions of the gems and/or incomplete data regarding physical properties compared to known types of similar stones. Comparisons were made with true oriental (Burmese and 'Siam') rubies, spinels and so called 'cape rubies'.⁴⁹ Eventually an arbitrary compromise was reached and the stones became widely classified as 'Australian rubies', 'Australasian rubies' or 'South Australian rubies', names owing more to commercial aspirations than to scientific rigor.⁵⁰

In contrast to the plethora of dialogue on the question in the popular press, only a very few more authoritative opinions were offered based on rigorous physical examination and chemical analysis. In February 1888, Prof. T.C. Cloud of the Royal School of mines declared the samples he had examined from the MacDonnell Ranges Ruby Mining Company property to be 'garnets beyond the possibility of a doubt'.⁵¹ In May 1888, Prof. E.H. Rennie read a paper to the Royal Society of South Australia in which he stated that the stones he had tested from the Hale River Ruby Mining Company property were 'undoubtedly garnets ... of the Almandine variety'.⁵² Despite opinions of this type, the argument raged on during 1888.

The debate that was taking place in Australia was mimicked in the UK as parcels of stones reached there, particularly from the MacDonnell Ranges Company property. A vast array of 'experts' was drawn into the discussion as opinions polarised between the 'believers' and the 'non believers'. Championing the respective sides were representatives of two of the most prestigious jewellery houses in the world at the time. Edwin Streeter of Streeter and Co., recognised as one of the world's leading authorities on gemstones and author of text books on the subject, after some initial prevarication, coming out strongly of the opinion that the stones were 'only garnets'.⁵³ His comments drew immediate response from a number of quarters, pointing out that Streeter had only recently acquired the franchise for the Burmese ruby fields from the British Government, and that he therefore had a vested interest.⁵⁴ Walter Hasluck of

the well-known London firm of Hasluck Brothers, by contrast, took up the cause of 'Australian rubies', promoting them as 'neither rubies nor garnets ... [but a] complete new stone'.⁵⁵ In Hasluck's opinion, 'They [were] similar to the Siam ruby, but inferior in some respects, yet they [were] far superior to garnets'.⁵⁶ Some queried Hasluck's objectivity owing to his close association with the MacDonnell Ranges Company. As an interesting aside, Both Streeter and Hasluck had major involvement in other facets of Australia's gem industry, Streeter being a central force in the West Australian pearling industry, and Hasluck Bros. having a salient role in the establishment of the Australian opal industry at a later date (Fig. 8).

Figure 8: *Streeter and Co., and Hasluck Brothers, players in the story of 'Australian Rubies'.*



Source: 'Some London advertisements and information - Silver Forums at 925', at www.925-1000.com.

Toward a cartel

All the time that the debate about the identity of the stones was progressing, gem material was being recovered and transported out in prodigious quantities. A stream of articles in the popular press and in statements put out by the various companies described parcels of sorted stones and undifferentiated gem gravel being sent down to Adelaide. Individual stones were counted in tens, hundreds, thousands, tens of thousands and even hundreds of thousands.⁵⁷ The consignments of gravel were measured in tens of pounds and in hundredweights.⁵⁸ One estimate put the total amount of 'rubies' raised at several tons, of which perhaps a third were good stones.⁵⁹ Trooper East made comment based on his observations that: 'I am perfectly safe in estimating the quantity of "Australian Rubies" removed from the Elder [Hale] valley at ten tons, because I can trace from personal knowledge five tons...'⁶⁰ Given that all this material was transported to Adelaide by camel train, this was no mean feat.

As early as March 1888 it was becoming obvious to the proprietors of the various ruby companies that the uncontrolled placing of large shipments of often unclassified stones up for sale had the potential to destroy the prospects for obtaining a satisfactory long-term market

for the stones. A meeting of proprietors was convened on 23 March 1888 to discuss the issues involved. Representatives of most of the major companies were in attendance.⁶¹ At the meeting, a letter from the UK firm of Ashford and Brooks to the Maude River Company was tabled:

I congratulate you and the directors of the Maude River R M Co. on the prompt steps you have taken to try and induce the ruby companies to act in unison for the best interests of all. ... [being] in communication with the chief jewel dealers and lapidaries of [London and Birmingham], I may tell you that all the traders in question are unanimous in asserting that unless both the supply and price of the stones are under control it will be impossible to establish a value for them. It seems to me the only question is – in what form should that control be exercised. I would suggest that the first thing is to decide on one or at most two London agents, to whom all the stones should be consigned as joint agents for all the companies. The next step I suggest is that all the stones forwarded should be assorted by one or more experts in the trade who should reject all the undoubted garnets. The same authorities might then value approximately the several qualities of rubies and fix the price at which they should be sold, to which price the agents must adhere. ... the plan I think that would be fairest to all is that all the selected stones should be “pooled”, and all the sales made credited *pro rata* to the weight of stones of the several companies in stock at the time of sale.⁶²

If this sounds like a cartel, it was. The scheme never saw the light of day, the self interest of the independent companies eventually prevailing over the initial enthusiasm of most present at the meeting. East mooted the possibility of instigating some form of government-imposed control of the trade in his report. A scheme whereby a royal monopoly was declared and selected locations leased to the highest bidder, such as occurred elsewhere in the world, was one alternative suggested by him.⁶³ The idea of any such form of government intervention did not garner any support in the 1880s. In the event, activities went on in an essentially *laissez faire* manner throughout 1888 and into 1889.

To market to market

From its instigation, the MacDonnell Ranges Ruby Mining Company recognised the critical importance of developing a stable overseas market for its product. In this regard, the MacDonnell Ranges Company showed the way to the other companies to follow, with or without a cartel in place. Richard Pearson departed for the UK in August 1887, making a stopover in Ceylon (Sri Lanka) on the way. In Colombo, Pearson showed a collection of the stones he had brought with him to local jewellers who expressed the opinion that the stones were valuable, despite being uncertain as to what they exactly were.⁶⁴ Encouraged by this, Pearson carried on to the UK, where he caught up with a shipment of some 50,000 carats of stones that had been forwarded directly, and commenced his role as the Company’s agent. Over the ensuing months, Pearson arranged for a number of the stones to be cut and some made into jewellery pieces as samples, and did the rounds of the lapidary establishments and gem merchants of London and elsewhere.⁶⁵ He became embroiled in the emerging argument about the true nature of the stones that impeded their market uptake, and found the flooding of the market with inferior stones by other Australian interests increasingly hampered his efforts. Despite these hurdles, Pearson did manage to sell a number of parcels of stones, totaling

perhaps a few hundred stones.⁶⁶ Newspaper accounts during the latter part of 1887 and early 1888 give prices of from 35s per carat for smaller stones to £7 per carat for larger stones, with an average price of £2 per carat.⁶⁷

Pearson became something of a celebrity around town, being credited with discovery of the field and with his name becoming synonymous with the gems, viz. 'Pearson's Rubies'. Pearson's interaction with the Company Directors back in Australia, however, became progressively fraught as time went on.⁶⁸ His sometimes vague responses to questions about slow progress on sales, against an expectation that the parcel of stones he had started with would be sold promptly, led to disquiet on the home front.⁶⁹ Accusations were made that Pearson was making misleading statements about the stones in his quest to find a market.⁷⁰ Newspaper reports started to become disparaging in some quarters, leading to a war of words played out in the press between disgruntled shareholders and the Company Directors (particularly his father) around Pearson's adequacy for the job.⁷¹ Pearson was never able to put this criticism to rest completely, leading eventually to his decline as the focus for all things to do with the gems in the UK.

The 'English Company'

The decline in Pearson's role in the UK based company was progressively compensated by the increasing influence of Walter Hasluck, from a purchaser of stones to the champion of 'Australian Rubies' and *de facto* agent for the MacDonnell Ranges Company. In March 1888, Hasluck Bros. announced that they had purchased 10,000, £1 shares in the MacDonnell Ranges Ruby Mining Co. on the Adelaide stock exchange.⁷² This was followed shortly by news of the formation of a UK based syndicate aimed, 'to assist the future of the stones both here and on the Continent, and ... ultimately to control the monopoly of the sale of Australian rubies'.⁷³ The syndicate was to involve eight parties, mainly established gem dealers, including Hasluck Bros., and speculators.⁷⁴ The news regarding the syndicate was fairly quickly overtaken by further news of the floating of a company on the London market with the object:

of working Pearson's Ruby Mine in Central Australia [and purchasing] four of the twelve blocks belonging to the MacDonnell Ranges Ruby Company for £200,000, one half in cash and the other half in shares in a new company to be formed.⁷⁵

It was further announced, that Walter Hasluck would be heading 'for Australia almost immediately to direct the operations of the new company in the colonies'.⁷⁶ At a meeting of the MacDonnell Ranges Co. in early April 1888, it was agreed that the Directors should accept the offer.⁷⁷

The news of the emergence of the 'English Company' had a heartening effect on all those with interests in the ruby field. The fact that a company of this 'strength' was showing interest was seen as proof in itself that the stones were the real article, even if the scientific evidence was still inconclusive. A paragraph in the report given to the shareholders at the March 1888 meeting of the Hale River Ruby Company sums up this sentiment:

Your Directors regret the absence of any direct evidence as to the value of the stones, but should they prove to be rubies, your blocks cannot fail to be of great value, as they

are immediately adjacent to those blocks which have just been sold in London for £200,000.⁷⁸

By June 1888, the arrangement was starting to come apart. Rumours began to appear in the press that all was not going as planned. An article in the *Port Augusta Dispatch etc.* of the 26 June 1888, gave this summary of events:⁷⁹

The offer seemed too good to be true, but ... £500 “earnest money” was received, [the remaining cash balance] to be paid over on the arrival of the Company’s [presumably the MacDonnell Ranges Co.] deeds and the gems which it held in possession in England. Letters were received [in Australia] from Mr Pearson stating that the London directorate of the new company had been formed, and that it had agreed to pay the first half of the purchase money on the receipt of the deeds and gems. They were promptly sent, and reached London on June 5, but no money has been paid and no information has been received from Mr Pearson as to the completion of the agreement. Instead ... some of the promoters of the London Company declare that no directorate has ever been formed there, and that they will not carry out the purchase agreement until Mr Pearson produces, according to alleged promise, samples of emeralds, sapphires and Oriental rubies obtained from the Company’s claims.⁸⁰

What followed was effectively a ‘Mexican stand off’ with both parties accusing each other of deceit. The MacDonnell Ranges Co. denied the existence of any clause relating to provision of a sample of anything apart from ‘Australian rubies’, while Pearson’s candor was called into question by the ‘English Company’. In fact, what was happening was that the ‘English Company’ was looking for a way out in light of continuing uncertainty about the nature of the stones, and a dramatic fall in ruby company share value on the stock market.⁸¹

In October 1888, Walter Hasluck came to Australia in an attempt to boost flagging spirits. On arrival, he gave an interview in which he continued to promote the value of ‘Australian Rubies’, and explain the circumstances around the impasse that had developed with the ‘English Company’, removing any blame from Pearson or the MacDonnell Ranges Co.⁸² At the end of November, Hasluck, together with Edwin Saint, the chairman of the MacDonnell Ranges Co., set off to visit the ruby fields.⁸³ About a week after departing Adelaide, and before reaching the field, Hasluck became ill.⁸⁴ The party returned quickly to Adelaide from where Hasluck departed post haste for the UK. In early 1889, hopes were raised again when it was reported that, ‘it is possible that an expert, who commands the confidence of the English people will be sent out to report upon the properties submitted to Mr Hasluck’.⁸⁵ It’s not clear what was intended with this, and there is no evidence that it ever happened. This effectively brought to an end the prospect of the involvement of UK money in the development of the ruby field.

The end is nigh.

The demise of the negotiations with the ‘English Company’ was effectively the death knell for the field. In reality, the fate of the field was effectively sealed by mid 1888, with a growing realisation among many interests that ‘Australian Rubies’ were in fact garnets, *albeit* with some unusual physical properties. The situation on the field in mid 1888 is summed up by the published recollections of Caleb Hoskins, a miner on the field at the time.

The news broke around the Ruby fields on Thursday 24 May 1888. It had been reported that after being thoroughly tested, the beautifully coloured stones were finally identified as garnets, not rubies, and had absolutely no value as gems. The cry of anguish went up from two hundred men over an area covering one hundred square miles of the East MacDonnell Ranges. Many questions went unanswered as to why it had taken so long to identify the true classification of the stones. How was it that reports from London and Europe gave the stones a greater value?

Arriving at Glen Annie our most feared thoughts were reinforced by the general mood of the camp. Every man had a sad tale of loss and bankruptcy. One miner, Francis Fox had taken his own life with a single shot to his head the day after the news broke. It was reported that he had invested all of his capital in his search for 'rubies' and his state of mind caused him to suicide.⁸⁶

It is unlikely that events were as precipitous as described in this version, but other anecdotal accounts talk of a sudden exodus from the field, with shipments of stones en route to Adelaide being dumped on the spot, to be found years later. The truth of such accounts is impossible to establish, but certainly, by June 1888 applications for claims had come to an abrupt end. Gold had been discovered nearby at Paddy's Water Hole (Fig. 9) in 1887.⁸⁷ This find led to others in the area, the region being declared as the Hale River Goldfields, and with a warden appointed by 1888.⁸⁸ Miners moved backward and forward between the ruby fields and the gold fields,⁸⁹ and this fluidity provided an obvious path by which miners leaving the ruby fields could be absorbed seamlessly.

The extent of the exodus from the ruby field is attested by the report of the S.A. Government Geologist, H.Y.L. Brown, who visited the area in late 1888 and early 1889. In his report Brown had this to say:

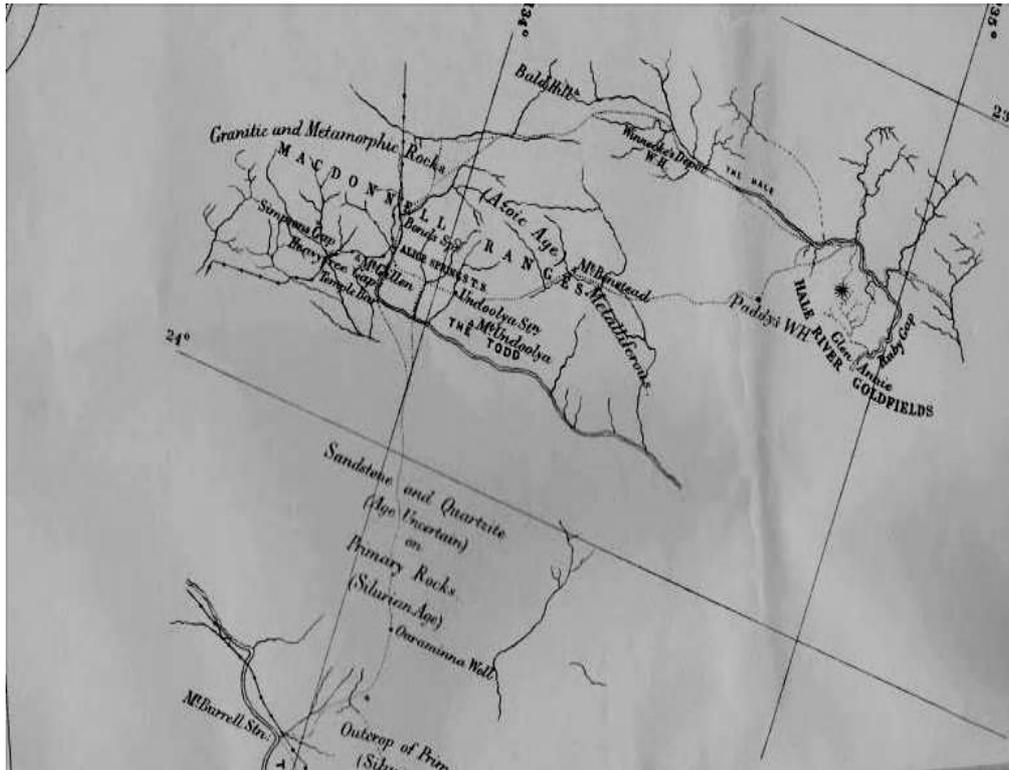
Garnets are very common in the sands of some of the creeks and rivers ... Some time ago [only a matter of a few months] these gems, which were said to be Oriental rubies and considered very valuable, were collected in large quantities on the Maude, Florence and Hale Rivers, and sold in some cases for large prices ... When, in the course of time, people became convinced that the gems were not rubies, but really garnets, the industry ceased, and at the time of my visit none of the hundreds of claims which had been taken up were being worked.⁹⁰

Brown had no illusions that the stones at the heart of the rush were in fact garnets not rubies, even though there were those that still believed in 'Australian Rubies' at the time of Brown's visit to the field. Implicit in Brown's comments was the notion that garnets, even of very high quality as seems to have been the case in some instances, were of no real value as gems given their relative abundance. This sentiment appears to have been the prevailing attitude throughout the period of the rush, only a few references to the stones in newspapers attributing any quantitative value to them in the event that they proved to be garnets.⁹¹

While the field became rapidly deserted after June 1888, the companies continued to flicker on. Some, like the Hale River Ruby Company, accepted the inevitable fairly quickly, their report to shareholders in September 1888 simply stating that the sample stones that they had had cut in Europe and the US were considered by the cutters and merchants unanimously to be 'of little or no value'.⁹² Others, like the South Florence Ruby Company, continued to hold faith in the potential of their properties well into 1889.⁹³ Most of the major companies

were voluntarily wound up by 1890, some lasting through to 1892. A few companies branched out into other activities in the Harts Range region, notably talc and mica mining. The MacDonnell Ranges Ruby Mining Company re-financed itself in 1892 to allow investment in mica claims. The Company continued to exist for some years, but there is no real evidence of what it engaged in. The Pearson family went on to have interests in a range of mining ventures, most notably, South Australian Petroleum Fields Limited, an early venture into oil exploration in South Australia.

Figure 9: *The Hale River Goldfields, circa 1888.*



Source: Government Geologists Report on a Journey from Adelaide to Hale River, February 1889, *South Australian Parliamentary Papers, No. 24, 1889.*

The ruby rush, in essence, lasted for less than a year, with never any more than about 300 people on the field. In some respects it had the characteristics of the earlier alluvial gold rushes of the eastern states during its rapid build-up phase, but was notable by the precipitous desertion of the field and the lack of any direct continuity such as typified the eastern states gold fields.

Epilogue

In the years that followed the end of the ruby rush, the gold finds at Paddy's Hole and elsewhere blossomed into the Arltunga Gold Field. The Harts Range region was to go on to be a theater for mineral activity, never on a large scale but of significance. In the twentieth century it became the centre of mica mining in Australia, the industry being nationalised as strategically important during the Second World War. Today, plans are in hand for the commencement of commercial scale industrial garnet mining. To gem fossickers, the Harts

Range area is Mecca, producing a wide range of gem minerals, including beautiful Almandine Garnets that stand as quality gems with a real value in a controlled market. In recent times, a discovery has been made in the Harts Range of “rock ruby” that is being worked spasmodically. While this material is in fact true ruby (ie, Corundum or aluminum oxide), it is far from what the pioneers of the ruby field saw as Oriental rubies in their wash dirt (Fig. 10).

Figure 10: *Harts Range ruby.*



Source: Author's photo

Acknowledgement.

The author gratefully acknowledges the major importance of Barry Allwright's work, *Rivers of rubies: the history of the ruby rush in Central Australia*, Royal Geographic Society of South Australia Library, 622.384 A 4436, in steering the direction of his research.

Endnotes

¹D. Lindsay, 'An Expedition across Australia from South to North, between the Telegraph Line and the Queensland Boundary in 1885-6', *Royal Geographical Society and Monthly Record of Geography Vol. xi*, London, 1889, and D. Lindsay, 'Exploration in the Northern Territory of South Australia', *Royal Geographical Society of Australasia, South Australian Branch, Third Session, 1888-9*.

²Lindsay, 'An Expedition across Australia from South to North...', p. 657.

³*Ibid.*, p. 658.

⁴ B.W. Strong, *Henry Vere Barclay: Centralian Explorer*, Published by the Historical Society of the Northern Territory, 1989. p. 13. The oft-cited claim of the discovery of garnets in the vicinity of the Hale River by Barclay's colleague, Charles Winnecke, during Barclay's expedition, cannot be substantiated from primary sources. Winnecke's involvement with the Hale River garnets appears to be restricted to the time of the formation of the 'Ruby Companies' after Lindsay's original discovery. See for example, B.W.Strong, *Charles George Alexander Winnecke (1855-1902)*, Published by Deniliquin Newspapers Pty. Ltd., 2014, pp. 56, 57, 126.

⁵Lindsay 'Exploration in the Northern Territory of South Australia...', p. 7

⁶*South Australian Register*, 30 March 1888.

⁷*Freeman's Journal*, 30 July 1887.

⁸*Ibid.*; Other accounts around the same time were somewhat more cautious, saying that the stones were spinel rubies and garnets, for example, *The South Australian Advertiser*, 25 July 1887.

⁹*Sands and MacDougal Directory of Adelaide*, 1888.

¹⁰Report of the MacDonnell Ranges Ruby Mining Company in the *Adelaide Observer*, 4 February 1888.

¹¹Correspondence to the Minister controlling the Northern Territory, item No. 269, 1887, State Records of South Australia [hereafter SRSA].

¹²Arthur Warman could have provided knowledge about the well to Pearson, providing a starting point for the claims.

¹³*Freeman's Journal*, 30 July 1887.

¹⁴Newspaper interview with Richard Pearson, *The South Australian Advertiser*, 25 July 1887.

¹⁵*Ibid.*

¹⁶*Ibid.*

¹⁷Correspondence to the Minister controlling the Northern Territory, Item No. 530, 1887, SRSA.

¹⁸On 6 April 1887, David Lindsay wrote to the Minister controlling the Northern Territory (Item 275, 1987, SRSA) asking for mineral licenses in four diverse areas, one of which was in the vicinity of the applications made by Pearson and Co. This action was presumably spurred by the applications made on the 4 April by Pearson and Co. In his correspondence to the Minister, Lindsay stated that he was seeking recognition as the discoverer of the field, and that he had been unfairly beaten to the punch as a result of Warman's actions. In his application, Lindsay located his claim with reference to a marked tree at the entrance to a gorge [Glen Annie]. Lindsay was granted one block on the basis of his application of the 6 April, notated as block 1 in the sequential register of claims [effectively a discovery claim]. Lindsay and his associates applied for and were granted further claims at a later date and had a role in the rush as Lindsay's Prospecting Syndicate, later the Australian Ruby Company.

¹⁹'Map of ruby claims near Glen Annie, December 1, 1887', Northern Territory Department of Minerals and Energy [hereafter NTDME].

²⁰For example, *South Australian Register*, 25 July 1887.

²¹*Ibid.*

²²*Northern Territory Times*, 30 July 1887.

²³Northern territory applications for mineral licenses, April 1887 – July 1888, GRS/16, SRSA.

²⁴*The Port Augusta Dispatch, Newcastle and Flinders Chronicle*, 23 December 1887.

²⁵*The South Australian Register*, 28 November 1887.

²⁶*Australian Town and Country Journal*, 25 February 1888.

²⁷*The Port Augusta Dispatch, Newcastle and Flinders Chronicle*, 15 May 1888, and *The Adelaide News*, 4 June 1938.

²⁸Given the disparity between the number of claims and the number of people working on the field during the same period, it is evident that there was a disconnect between activities on the ground and the staking of claims.

²⁹Lodged company documents of defunct companies, GRS 513/23, SRSA.

³⁰Index to Mineral Leases, GRG 30/26, SRSA.

³¹'*Record of Mining in the Northern Territory of South Australia*'. Issued by the office of the Minister controlling the Northern Territory, Government Printer, Adelaide, 1900, p. 25.

³²Lodged company documents of defunct companies, GRS 513/23-28, SRSA.

³³As an example, The Maude River Company engaged a party consisting of two white men and two aboriginals to work their property at a cost of £12 per week, *The South Australian Advertiser*, 28 March 1888.

³⁴*South Australian Register*, 6 August 1888.

³⁵The *Northern Territory Times*, on the 24 December 1887, carried a claim by Arthur Warman that it would take 'many years to exhaust the surface supply of the stones, without any sinking being resorted to'; An article in the *Australian Town and Country Journal* of the 25 February 1888, described 'a hole 12 ft square and 4 ft deep' as having been dug on one claim, producing some 40,000 stones; An article in *The South Australian Register* of the 31 January 1889, described some of the miners as having sunk to a 'depth of 10 or 11 ft'.

³⁶While apparently employed as a police trooper, East was obviously educated in geology.

³⁷Contemporary newspaper accounts of the population on the field generally suggest that about one-third of the population at any time was made up of aboriginals working either in their own right or for white miners.

³⁸J.J. East, Second Report on the MacDonnell Range Country, Correspondence to the Minister controlling the Northern Territory, Item No 1074, 1888, SRSA.

³⁹As an example, the balance sheet for the Hale River Ruby Company Ltd. of March 1888 shows a total of £35 4s spent on plant and tools, against £216 16s on wages and £102 12s on stores. The other major expenses were for travel and cartage.

⁴⁰*South Australian Weekly Chronicle*, 2 June 1888.

⁴¹*The Port Augusta Dispatch, Newcastle and Flinders Chronicle*, 15 May 1888.

⁴²*Ibid.*

⁴³*Ibid.*

⁴⁴*Ibid.*; In the published recollections of one gem seeker who was on the field at this time, the stores on site were charging £3 per bag for flour, 5s per pound for tea, 1s per pound for sugar, and 1s 5d per pound for butter. Mutton was available from the butchers on the field for 6d per pound

⁴⁵*Ibid.*

⁴⁶*South Australian Register*, 6 August 1888.

⁴⁷*Ibid.*

⁴⁸Letter to the editor, *South Australian Weekly Chronicle*, 7 January 1888.

⁴⁹The exact identity of 'cape rubies' is obscure, but apparently they were a form of garnet found in the southern cape region of Africa.

⁵⁰A description of the origin of the term 'Australian ruby' is given in a report of a meeting of the MacDonnell Ranges Ruby Mining Company in the *South Australian Weekly Chronicle*, 24 March 1888.

⁵¹Report published in the *South Australian Register*, 3 February 1888.

⁵²E.H. Rennie, 'On some so called South Australian rubies', *Proceedings of the Royal Society of South Australia*, Vol. XI, 1889, p. 17.

⁵³*The South Australian Advertiser*, 14 March 1888.

⁵⁴For example, *The Northern Territory Times*, 17 March 1888.

⁵⁵For example, *The South Australian Register*, 29 October 1888.

⁵⁶*Ibid.*

⁵⁷For example, The MacDonnell Ranges Company reported in the *South Australian Weekly Chronicle* of 24 March 1888, a shipment of stones numbering 400,000 being sent to Adelaide.

⁵⁸Reports of parcels of 1 cwt. of stones being taken out by the Hale River Company (*Australian Town and Country Journal*, 25 February 1888), 55 pound weight of gems by the Oriental Ruby Company (*Port Augusta Dispatch* etc., 9 March 1888), 20 pound weight of gem wash by Lindsay's Prospecting Syndicate (*South Australian Weekly Chronicle*, 18 February 1888), and 50 pound weight of mixed stones by the MacDonnell Ranges Company (*Northern Territory Times*, 24 December 1887) were typical.

⁵⁹*South Australian Register*, 31 January 1889.

⁶⁰J.J. East, Second Report on the MacDonnell Range Country, Correspondence to the Minister controlling the Northern Territory, Item No. 1074, 1888, SRSA.

⁶¹*South Australian Register*, 23 March 1888.

⁶²*Ibid.*

⁶³J.J. East, Second Report on the MacDonnell Range Country, Correspondence to the Minister controlling the Northern Territory, Item No 1074, 1888, SRSA.

⁶⁴*Sydney Evening News*, 24 September 1887.

⁶⁵A report in the *Adelaide Observer* of 4 February 1888, describes a ruby hoop ring being manufactured and sent back to Australia, along with 12 cut rubies, for display at exhibitions around the country. A report in the *Northern Territory Times* of 7 January 1888, describes a ring set with alternating rubies and diamonds. Plans were also made to include South Australian rubies in a silver wedding present to the Prince and Princess of Wales.

⁶⁶It is hard to judge from the disparate newspaper accounts exactly how many stones were sold, but a total of less than one thousand stones is pointed to by the size of the parcels confirmed as sold in reports back to the company in Adelaide.

⁶⁷For example, *Sydney Evening News*, 17 November 1887.

⁶⁸For example, *Adelaide Observer*, 4 February 1888.

⁶⁹*Ibid.*

⁷⁰*The South Australian Register*, 5 April 1888.

⁷¹For example, *The South Australian Register*, 9 December 1887.

⁷²*Ibid.*, 5 April 1888.

⁷³*Ibid.*

⁷⁴*Ibid.*

⁷⁵*The South Australian Advertiser*, 12 April 1888.

⁷⁶*Ibid.*

⁷⁷*Northern Territory Times*, 14 April 1888.

⁷⁸Report of Directors to the first ordinary general meeting of shareholders, The Hale River Ruby Company Limited, March 29, 1888. Lodged company documents of defunct companies, GRS 513/23.

⁷⁹*Port Augusta Dispatch* etc., 26 June 1888, SRSA.

⁸⁰The details of the proposed arrangement were in fact more complex than as described in the article, involving the transfer of lease/s covering the claims from the MacDonnell Ranges Co. to the English Company, and staged payment in return on receipt of the lease/s and on taking possession of the blocks. A deal on shares between the companies was also to take place. There was also to be a report prepared on the properties by an independent expert, which apparently did not eventuate at this time. The details of the arrangement were set out in the minutes of an extraordinary meeting of shareholders of the MacDonnell Ranges Co reported in the *South Australian Register*, 11 April 1888.

⁸¹*Port Augusta Dispatch* etc., 26 June 1888.

⁸²*South Australian Register*, 29 October 1888.

⁸³*The Northern Territory Times*, 1 December 1888.

⁸⁴*Ibid.*, 8 December 1888.

⁸⁵Half yearly report of the South Florence Ruby Company Limited, March 29 1889. Lodged company documents of defunct companies, GRS 513/23, SRSA.

⁸⁶Paul M. Hoskins, *Caleb*, Xlibris Corporation, 2011. The grave of Francis Fox can be found at Glen Annie Gorge.

⁸⁷'*Record of Mining in the Northern Territory of South Australia*', Issued by the office of the Minister controlling the Northern Territory, Government Printer, Adelaide, 1900, p. 19.

⁸⁸Government Resident's Report on the Northern Territory, *South Australian Parliamentary Papers, No 53*, 1888, p. 8.

⁸⁹For example, *Port Augusta Dispatch etc.*, 15 May 1888.

⁹⁰Government Geologists Report on a Journey from Adelaide to Hale River, February 1889, *South Australian Parliamentary Papers, No. 24*, 1889, p. 7.

⁹¹In the *Port Augusta Dispatch etc.*, of 23 September 1887, the comment was made that even if the stones were only garnets, they would sell for £2 [per carat].

⁹²Report of Directors to the second ordinary general meeting of shareholders, The Hale River Ruby Company Limited, September 13, 1888. Lodged company documents of defunct companies, GRS 513/23, SRSA.

⁹³Half yearly report of the South Florence Ruby Company Limited, September 30, 1889. Lodged company documents of defunct companies, GRS 513/23, SRSA.