

California looks to another gold rush

By Jessie McKinley, New York Times

SUTTER CREEK – Standing in a cramped, slanted and slippery crevice some 500 feet below the earth's surface, David Cochrane turned his eyes to a ribbon of marbled quartz – mainly gray, amber and white – and found the one hue he was actually looking for.

“Right there, see? It's small but it's very colorful,” Mr. Cochrane said, pointing at a shiny speck no bigger than a seed. “It's got that nice yellow color.”

It was gold, and if people like Mr. Cochrane have their way, gold will soon be big business again in California's Mother Lode, in the same area of the Sierras – and occasionally the same mines – where the old-time prospectors once used pick axes, ore carts and burros to chase their riches.

“People say the Mother Lode's mined out,” said Mr. Cochrane, a vice president with Sutter Gold Mining Inc., based in Colorado. “But that's not the case.”

Indeed, Sutter Gold is just one of several companies seeking to reignite a long-dormant industry in California, a state whose early history and growth were intimately intertwined with gold's discovery, excavation and exploitation.

Most of California's large mines closed after World War II as price controls made the business model unappealing. But with controls gone, and gold now selling at more than \$1,300 an ounce, the math makes sense again.

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