On the shores of Lot Seven lie three villages: the farming-fishing hamlet of Cape Wolfe, and its sisters Burton, on the right, and West Cape to its left. All three communities push red, sandstone shoulders into the Northumberland Strait; all three face the setting sun and the prevailing westerlies. This is a quiet and beautiful place with a long history. Beginning in 1821, pioneers cleared farms from the forested capes behind the various fishing coves: at Campbellton, first called O'Halloran's; White's Cove; Wright's Cove — now Dalton's Shore; Howard's Cove; Ben's (Dumville's) Shore; Riley's Shore — now Cape Wolfe; and MacMillan's Shore.

It was a peaceful coastline, where families often earned their living following the twin occupations of farming and fishing. For three generations, from the 1820s to the 1880s, the rhythm of farming and fishing prevailed here — a cycle made up of herring and mackerel fishing; plowing and harrowing; spring cropping, cultivating and weeding; trawling for cod and ling; lobster fishing, harvesting, threshing and, in the late fall and winter, cutting firewood and lumber. Change came slowly, was duly noted and often resisted. Confederation was discussed and dismissed. When free trade with the United States was debated in the 1890s, it was rejected. One farmer, in his best Irish accent, predicted the disaster which would surely come "if the Yankees dump their butter on us." When the age-old silence of farmers' fields was broken by the rattle of the new binders in 1894, even the new sound was worthy of comment. "The farmers in this vicinity are busy taking up their harvest," noted a correspondent to the Summerside Journal, "and the sound of many self-binders can be heard in the fields."

But the tranquility of this coast was shattered in the early 1880s when a frenzy, quite unlike any before or since, swept not only Cape Wolfe but the whole Island. Nothing in the province's history can quite compare with the great Gold Fever that hit Cape Wolfe in the spring of 1883. It was an event which obsessed the community and, to an extent, the whole province. For one brief golden moment, Cape Wolfe was the center of attention on the Island stage.

Gold on Prince Edward Island

The year 1883 began quietly enough. The winter had been a hard one, cold, with lots of snow, but spring came in good time. As the fishermen and farmers were preparing for the new season, a correspondent from West Point wrote that though trade was not as brisk as usual, "the weather ... has been very favorable to farmers which has enabled them to get their crops in earlier than usual." Then, at the end of April, came the news of the "gold mine" at Cape Wolfe. It was broken to the public on April 30 via the Charlottetown Examiner, in an article titled "The Unexpected Happens."

Gold in Prince Edward Island — For some days it has been rumored that a gold mine has been discovered at Cape Wolfe, Lot 7, in Prince County. On making inquiries, we learn that there is
good foundation for the rumor. Mr. James Hughes informs us that some time ago he discovered on his farm at the above named place, traces of gold and silver. The services of a first-class metallurgist has been engaged to examine the locality, test the minerals, and report whether or not it will pay to work the mine. This gentleman is on his way to the Island. His report will be published as soon as possible.

No one knows just how or when the “gold mine” was first discovered, but it was somewhat earlier than the “some days” mentioned by the Examiner. What we do know is that months before the news was made public, there had been frenzied activity behind the scenes in Cape Wolfe and, by the time people found out about it, speculators had bought up hundreds of acres of land from under the noses of the local population.

The great gold rush seems to have started, perhaps a year previously, by a Charlottetown merchant and fish buyer, James Hughes Jr. Apparently he had come to Cape Wolfe intending to buy lobsters but he must have heard rumors of gold. One authority claimed that gold “had long been reported to occur” in the area. The Moncton Times reported later that “an old miner working in a lobster factory” in Cape Wolfe had discovered the gold and told Hughes about it. Thinking there might be something to the rumors, he began quietly acquiring land. On Oct. 21, 1882 he bought the farm of Elizabeth Van Buskirk, a widow who owned 43 1/2 acres just south of the cove in Cape Wolfe. Some time later, he bought an adjoining farm of 69 acres from James Farrar Stewart. Then, for the next two months came a deceptive calm. It seems obvious now that Hughes had caught the ear of some very influential Charlottetown people who became intensely interested in the riches which Cape Wolfe seemed to be offering. The most important were two up-and-coming young lawyers, brothers Frederick and Arthur Peters, each of whom would become, in his turn, leader of the Island Liberal party and Premier - Frederick in 1891 and Arthur in 1902. They came from Charlottetown aristocracy and were wealthy enough that Arthur had just bought the yacht Sunbeam, built in Sours “from a model selected by Mr. Peters in Boston.” In early 1883, the Peters became the front runners in a land rush resembling no other the Island had experienced. They must have tipped off a few selected friends including Charlottetown merchants Horace Hazard and William Weeks, and brothers Alfred and Amos MacWilliams from West Cape. The MacWilliams brothers, like the Peters boys, were young Liberals on their way up. They had inherited the substantial mercantile, shipbuilding and shipping business begun by their father David at West Cape. Alfred, who became an MLA in 1893, was destined to share power with the Peters brothers in a Liberal dynasty which lasted from 1891 to 1912. Indeed, he and his running mate James Richards were the only Liberals to survive the Conservative sweep of 1912. In the early 1880s the brothers were running an international shipping concern and Amos was a very busy man with business on three continents. The Summerside Journal noted: “Mr A. McWilliams returned last week from Brazil, and is paying his family a brief visit. He leaves this week for New York, where his ship Western Bell is loading with a general cargo for Australia.”

The real land rush started after the new year of 1883. From the beginning of January to the middle of May, speculators swooped down on Cape Wolfe like gulls chasing lobster bait. Hughes, as mentioned earlier, already had two farms. His wealthier colleagues began buying in early January. The late Will Fish,
a child in 1882, remembered in 1962 that Samuel Birch Rix, Samuel Kinley, Henry Baker and Mrs. VanBuskirk had all sold their farms. But there were others. A glance at the summary of land sales and the map here will give the reader some idea of the amount of land speculation going on and who was involved. Between the third of January and the middle of April, 15 farms exchanged hands – most for top prices. Only one piece of property between Cape Wolfe and Howard’s Cove did not sell. Mary Metherall, widow of Bible Christian missionary Francis Metherall, held on to her 50 acres. Perhaps, like her late husband, she put little stock in the things of this world. Her farm remained a small island in a sea of speculators.

How this frenzy of buying was kept secret is a miracle, given Islanders’ legendary skills at unearthing news of any kind, especially if it involved their neighbors. The Summerside Journal’s answer to that mystery was simply that people had been deceived: “...many odd stories were told the late owners as to the purpose for which the land was wanted in order to get it from them.”

Sanguine Expectations

While his wealthy associates were buying land, James Hughes Jr. was taking steps to get the ore tested. According to one source, he sent a barrel of the “quartz” – marked “tallow” to throw the curious off the scent – to New York for analysis. Then, on April 28, 1883, just two days before the news of the gold became public, Hughes nailed down the mineral rights to the “gold, silver, iron, coal stone, limestone and slate stone, slate rock, tin, copper, lead and all other ores, minerals and ores in upon or under” the community of Cape Wolfe.

For some reason, gold no longer lures us as it did previous generations. It is no longer the stuff of dreams which it once was, and, indeed, it is difficult for us to understand the spell which it cast over our ancestors. A large part of its fascination had to do with its promise, because gold offered, to humble and unfortunate people, a way out of grinding poverty. Perhaps that is why, in 1883, gold became an obsession in the mind of the Island public. The lore and legend of gold turned into reality and talk of ‘the precious metal’ gripped the imagination of Islanders like a vice.

The first “details” of the gold strike were swallowed whole by newspapers and reported breathlessly. Once people knew about it, Hughes,
promoting the venture relentlessly and perhaps unscrupulously, dangled the golden lure in the faces of the newspapermen. They swallowed it like hungry mackerel to the jig. Hughes claimed he had discovered not only gold, but silver. As the Examiner reported:

We were shown today, by Mr. Hughes, a button of gold weighing one-and-a-half pennyweights, and a button of silver weighing an eighth of an ounce. Both were actually extracted from two hundred and fifty pounds of conglomerate taken from Mr. Hughes property at Cape Wolfe. This test shows the value of the ore, per ton, to be $13.60. The precious metal is remarkably rich in color, and from appearance will compare with the gold or silver of any country in the world.

Talk of gold now consumed the Island. Everyone, including usually levelheaded newspaper editors went overboard. Printed stories were then accepted as gospel, the popular wisdom being "it must be true, it was in the newspaper." Lot Seven, according to some accounts, was in a frenzy. One observer for the Examiner wrote a contemptuous commentary of the behavior he had seen when he visited Cape Wolfe:

You would scarcely meet a man but his pockets full of dirt, which he supposed to contain inestimable riches. We saw one man [from the district] who had his barn underpinned with the "quartz" as he called it; and he looked on that rural edifice as a building whose foundations were gold. A well was being dug on the Haliburton Road, and a bed of the conglomerate struck, which was supposed to be a continuation of the "seam at the Cape [Wolfe]." The fragments were carried away piecemeal. Men loaded their pockets with them; and in the dusk of the evening an individual was seen to approach with a bag, fill it with the treasure, and balancing it over his shoulder, retreat, like Issacher of old, a strong ass crouching beneath two burdens. Farmers anticipate selling their farms for the price of Ducal estates; and the humble trader at muddy O'Leary expects to see his future pathway strewn with shining gold.

Even the normally supportive Pioneer poked a bit of fun at the goings on. "The gold excitement continues to increase" it observed on June 20. "Almost every man that one meets has a quartz specimen or two in his pocket and feels confident that he has struck a mine on his farm. Large numbers every day are visiting the Lot Seven mine." The Journal loftily claimed that in spite of the euphoria, it was keeping its sober good judgement, but hinted that no one else was—especially the folks in Charlottetown:

The gold fever has attacked the people of Charlottetown and other parts of the Island very badly of late. The discovery was made by a Charlottetown gentleman on a farm at Cape Wolfe, Lot 7, lately purchased by him from Mr. Samuel Kinley. Every piece of land along Cape Wolfe shore which could be has been purchased by those who were behind the scenes. The first impulse upon hearing the news was to pooh-pooh the whole thing but when we found out that an assay had really been made of specimens found on the grounds, and they had been declared quite rich, we decided to bide our time and see what would come out of a gold fever on Prince Edward Island.

Though the Charlottetown papers spent a fair amount of time poking fun of the excitement of the country people, the truth was that they were just as excited as the people in Cape Wolfe. James Hughes Jr. had worked magic and a great many people were under his spell. Special trains were taking "quite a number to the gold fields," the Examiner noted on May 23. Lawyers in the city were working overtime, drawing up deeds, quieting titles and arranging land transactions with people as far away as London.

Like ripples from a rock thrown into a pond, the excitement spread until it embraced the whole Island. "Gold Strikes" were being made everywhere. At Souris East, S.P. Campbell found "what is likely to prove a valuable gold find.... From the appearance of a particular vein in the rock Mr. Campbell was induced to take with him some specimens which he submitted to the notice of a gentleman who has had considerable experience in the gold fields of Australia. It was the opinion of this gentleman that the quartz contained in the specimens held a considerable quantity of gold." The exact spot was being kept secret, of course, and was known only to a few thousand people in the vicinity of Souris. Next, that most infallible of experts, train conductor D.H. MacGowan carried news back to town of a gold strike in Tignish. Mr. Edward Gallant struck "a vein of pebbled quartz" believed to contain gold while digging a cellar. Another
discovery was made at Rustico Island by Captain Joseph Campbell who struck a vein "of what he believes to be gold bearing quartz." Two more "strikes" were recorded on June 14, one at Irishtown and the other at nearby Springfield. Another discovery was made at New Annan and pronounced by "experts" to be of the same material as that at Cape Wolfe. The fabled Klondike could not compare with this. On the night of June 6-7, a meteorite "of great brilliancy" exploded in the heavens over Charlottetown. A portent, perhaps, of a future in the realms of gold?

In Lot Eleven, the gold was of a different kind - pirate gold. In an article entitled "The Latest Gold Excitement" the Journal reported:

A friend from the west informed us the other day that three persons living in that neighbourhood [Lot Eleven]... became impressed with the idea that the ubiquitous Capt. Kidd or some other bold pirate had deposited untold treasures at Ferry Point, Lot Eleven. After delay and trouble they secured a "mineral rod," also the assistance of two other men and proceeded to the place. The "rod" gave unmistakable proofs of the "metal" being there in piles and plenty and excitement ran high. Each grabbed his digging iron; still they hesitated to strike as the treasure was supposed to be guarded by fierce and vindictive spirits. At length the most intrepid of the party got his courage up to the reckless point and turned the first sod. No evil agency interfering, all began to dig cautiously at first but gaining confidence as the work advanced. After the excavation had attained the dimensions of a small cellar without striking nary pot or kettle, work was suspended and the disappointed parties put off for home no doubt much disgusted and probably more tired if not wiser men.

Not to be outdone by the yeomanry of Lot Eleven, some people in Charlottetown went on a serious hunt for their own pirate gold. With some distaste, the Daily Patriot printed the goings on:

A part of Mr. Peter Stewart's field near the shore, at Marshfield, caved in not long ago, and some credulous individuals became possessed of the idea that it was the spot in which Paul Jones had deposited some of his plunder. Accordingly, at half past nine in the forenoon of Dominion Day, six men commenced digging, and although it was labor in vain, it is but justice to say that they worked with a will until half-past eight in the evening. Having heard of Capt Kidd's ghost terrifying those who approached his treasures they provided stimulants with the view of staying all night, but it appears they afterwards declined the pleasure of Paul's acquaintance and started for the city. Yesterday morning another crowd were seen wending their way to the spot armed with shovels and hoes to continue the search.

Meanwhile, Cape Wolfe was besieged with visitors. Not only did the special trains deliver sightseers, but so many shady characters arrived that it was necessary to put guards on the future mine site. Fist fights and "rough work" were the result of these "outsiders" becoming too inquisitive. On July 4, the Pioneer noted, "watchmen patrol the grounds day and night to guard the supposed treasure. They had some rough work last week with a party from Port Hill who wanted to inspect the locality more minutely than was thought desirable. The intruders were discovered and driven off the coveted ground."

All through the fall of 1883 and into 1884 the excitement continued. Not surprisingly, the "gold fields" were used as selling points by local merchants and farmers. "Gold has been found in the West but better than Gold can be had at H.V. Desroches," teased one Miscouche merchant. "During the rush to the gold field at West Cape, I will make it a point to keep on hand all the necessaries required by the working man, farmer and mechanic," assured the Brea's Angus MacKinnon. Farmers who were selling out hinted that, just perhaps, a buyer might hit gold on their property. "Valuable farm, stock and C. for sale," ran one ad in the Pioneer.

The Subscriber offers for sale his farm of 150 acres of land situated at Campbellton Lot Four together with crop, farming implements and stock. About 60 acres are cleared.
and under cultivation the balance is covered with a heavy growth of hard and soft wood suitable for scantling, saw logs, firewood, fencing and [etc]. The crop consists of about 15 tons hay, some 6 acres under wheat, a considerable area under oats and 3 1/2 acres under potatoes.

The property is situated on the Doyle Road about 3 1/2 miles from Bloomfield Station and 1 1/2 mile from the sea shore. It is convenient to market, school, church and mills while a brook of clear water runs through it.

On the farm are a good dwelling house, a barn nearly new also a diary and granary. The property is situated in a good thriving settlement, is only a short distance from the Cape Wolfe gold fields while appearance of the standing crop fully testifies to the excellent quality of the soil.

The purchaser can have the farm, and crop as it stands or without as best suits convenience. For further particulars, apply to John Colfer, Campbellton Aug 21, 1883.

Great Expectations

Though the machinery had arrived in November, winter slowed things to a crawl. It was February before the “pulverizer,” the machine to process the ore, was in operation. Though newspaper accounts refer to “mines” we only know the site of one. In 1885, Bernard Reilly Sr. showed a reporter the hole that had been excavated on the farm formerly owned by Elizabeth Van Buskirk. Surrounded by land bought by the Peters Brothers, a small brook wound through it to a sheltered cove. Here, overlooking the cove, the pulverizer set to work. Bernard Reilly recalled his father telling him the mining operation took place during the winter, a tradition we now know to be correct. The machinery was set up and a test run was completed. On February 7, the coldest time anyone in the area could remember, word came from a still-optimistic Summerside Journal.

Great expectations are indulged in as to the success of the gold mines in the locality. The sand or ore has been subject to a test by the pulverizer imported from New York. [or, as some reports said, Baltimore] under the direction of a practical inspector. The results of the last day’s operations was ten ounces of gold from seven and one half tons of sand, worth $10 to $15. The inspector said they did not get more than half the gold as the pulervizer did not work well.

“They could have continued their operations all winter, but the machinery has not come up to the expectations, but they are well pleased with the test made and will commence work early in the spring.”

The Journal concluded. “West Cape will be a lively place next summer. There was talk of more machinery arriving.

The spring of 1884 was late, with icing lingering in the Straits until the beginning of June. At the end of May the operators were still waiting for more effective machinery. For the first time, misgivings were beginning to set in. It was nearly a year since gold had been struck and, in fact, very little had happened. In late May, the Journal’s “Western Notes” correspondent allowed a note of doubt:

Many of your readers are, no doubt, thinking that it is a long time since anything has been heard from the Gold Mines at Cape Wolfe. There is no stir there yet, and it is generally admitted that the affair is a failure. Some people have been waiting for them to commence operations, on the strength of a promise made last fall, that they should obtain work by the middle of March, but they have given up waiting, and are now seeking work in other places.

To their credit, Hughes and his backers pressed on. Near the end of May, a correspondent from just down the shore at Campbellton reported: “The Gold diggings at Cape Wolfe is beginning to have a lively appearance. Mr. Hughes has made quite a number of preparations for active work when he gets his new machinery which we understand is delayed on account of the ice.” Hopes were further bolstered by news that speculators were still coming to the area. On June 19th, 1884 the news from West Cape mentioned that “Several newcomers have been here of late testing minerals, and left with the idea that the future looks well for the west end of the Island.”

For a while, things were pretty lively. Shafts and holes were dug – accompanied by the occasional brush with disaster. On June 19, the Journal reported that the previous Saturday while the men at the mines were at work shovelling several feet below the surface, the earth caved in, and one man was nearly buried alive while attempting to save those in the shaft.” And no one has ever explained the strange explosion which took place further up the shore at West Cape a few days later: “A very singular occurrence took place at Mr. Samuel Dunville’s farm at West Cape. A body of earth, consisting of clay, gravel and sand some
40 feet in length, extending from the shore, from 12 to 15 feet wide, and
to the road, 12 feet deep was blown
distance of some 70 feet into the
Gulf. Some think it was caused by
foul air, and others say it was done
by some of the miners with some
dynamite."

It is difficult, after all these years,
to get a picture of what was actually
going on. There are hints that
the pulveriser, which had arrived
the previous winter, was not up
to the job. Hughes seems to have
put it aside in favor of a sluicing
operation like those in Alaska and
the Yukon. For that, a great deal of
water was needed. First, workers
dammed the stream leading to the
shore. When this failed to supply
enough water, they decided to dig
a canal from the shore. "Water will
be pumped through sluiceways by
powerful pumps which will be put
into operation shortly," assured the
Journal. Despite these technical
problems, hopes were still high. "Other
companies will commence as soon
as the Government grant Miner's
Licenses," noted the Journal. "Messrs
Hughes and Co. have a free license
to mine upon their own land. Judges
claim that the sand will pay $16 per
ton, and the rock $33, and capitalists
would readily invest their money if
they could obtain Mining License."

A Sudden Halt

On that optimistic note, all reporting
on the Cape Wolfe gold mine sud-
denly stopped. There are no other
references to the mining operation
after July 17, 1884. It is as if talk of
gold had become a taboo subject for
Island newspapers. Perhaps it had.
All we have is the community trad-
tion, still strong, that although there
was gold there, there just wasn't
enough. The mine was shut down
that summer. It does not seem quite
the way to end it at all. Expectations
had been so high, hopes had been so
bright. We can bear to be let down
in stages, but to plummet from
the heights to the depths without
warning, it is too much. Really, the
warnings were there from the start
of the affair. The nasty fact was that,
right from the beginning, some had
scoffed at the idea that there was
gold at Cape Wolfe. But with the
dazzle of gold in their eyes, every-
one involved ignored the warnings.
In May 1883, shortly after the gold
talk started, Francis Bain, a brilliant,
self-taught naturalist-geologist from
North River, travelled to west to
investigate the gold fields at Cape
Wolfe.

The article he wrote for the
Charlottetown Examiner displayed
a wide and deep knowledge of
Island geology and the minerals
associated with it. Bain got off
the train in bad humor, which
didn't improve on his way to Cape
Wolfe. He took an instant dislike
to the village of O'Leary, calling it
"an incorrigible mudhole." [The
Examiner's local subscribers must
have loved seeing that in their paper.]
He then travelled to Cape Wolfe by way of Knutsford, criticizing
all the way. Passing through the
Barrens, an area half way between
O'Leary and West Cape, he described
a land "covered with shaggy spruces
and gnarly ashes and tattered cedars,
but in places nothing except the poi-
soned leaves of the calico bush cover
the barren nakedness of nature."
He wondered "why nature should
allow such deformity of her features."
Examining the site at Cape Wolfe,
he pronounced the unforgivable;
the operation was doomed because
the miners were looking for gold
in the precise deposits where it
was never found. No one listened;
no one wanted to hear, and Bain's
unwelcome views were ignored for
a full year.

And now, as the summer of 1884
wore on and the unsettling feeling
grew that perhaps there was no gold,
desperate measures were taken to
unload land before the boom broke.
In at least one case, a landowner in
the district, "salted" a test sample in
an attempt to inflate his selling price.
As a government report in later years

Charlottetown merchant George Full also took a flyer on the gold mine.
The presence of gold in the red sandstones and calcareous conglomerates of the western end of the Island is interesting, rather from the fact of its occurrence than from its economic value. Although this rock is certainly auriferous, the quantity of gold, from 40 to 60 cents per ton, is so small that its profitable extraction is not possible, and there is, apparently no good reason why the similar rock of the entire coast may not, equally contain it.

It had been a wondrous two years in the history of Cape Wolfe, but the episode left as many questions as it answered. Was James Hughes a charlatan he seemed to be? Was he telling the truth about the gold which had been extracted from 240 pounds of quartz? Where did he get the silver which he claimed had come from Cape Wolfe? Who was responsible for the reports of such elevated levels of gold in the deposits at Cape Wolfe? When did the promoters of the mine really find out that it would never be profitable? The major investors must have lost money on the venture. The MacWilliams brothers, who lived in the district, had the option of using the land they had acquired. But it was a losing proposition for investors like the Peters brothers. Arthur Peters’ grandson, Mr. Peter Paton, who graciously agreed to help me in my research, remembered talk of the Cape Wolfe gold mines around the family table when he was a child. His mother ruefully referred to the venture as a bad family investment. James Hughes Jr. lost everything. One of his main debtors seems to have been the Portland Packing Company. In November, 1884, only 16 weeks after the last optimistic report in the Journal, Portland Packing took over one of Hughes’ Cape Wolfe properties – the farm he had bought from James Farrer Stewart. The actual minesisite went into receivership and ended in the hands of another set of brothers, the Charlottetown-based Carvells. In 1889, the gold mine at Cape Wolfe made a last, brief appearance in the newspapers when they reported on an “incendiary” burning a vacant house belonging to the “Cape Wolfe Gold Mining Syndicate.”

The great venture was over and the good people of Cape Wolfe made the best of things, as they always did. The people accepted the death of their hopes and the community returned to the tried and true – farming and fishing – which it continues to do to this day. Gradually all traces of the mine disappeared. Over the next few years, the lands which had been bought by speculators were gradually repatriated as local people reclaimed their farms. In 1898 the mine site, which James Hughes Jr. had bought for $1000 in 1882, changed hands for $75.

Sources
The memories of people like Will Fish, Bernard Reilly Sr., Mr. Peter Paton and Elmer Cook, and their generous willingness to share them were crucial to the telling of this story. Land transaction records and newspapers – the Charlottetown Examiner, Summerside Journal, Moncton Times and Summerside Pioneer helped flesh out some more of the details.