The history of gold mining in South Africa has a rich heritage dating back to the early discoveries in the 1870’s and 1880’s. Whilst the goldfields of the Witwatersrand and the Eastern Transvaal are well known, the contemporaneous discovery of gold near Knysna, in the Southern Cape, is now largely forgotten.

The discovery of an 18 dwt gold nugget in the Karatara River in 1876 led to a gold prospecting rush in the hinterland of the town of Knysna. Traces of alluvial gold were discovered in several rivers including the Karatara, Homtini and Knysna Rivers. Some early alluvial mining took place in the Karatara River however these efforts were not profitable and activities had largely ceased by 1880.

In 1885 Charles Osborne found richer alluvial gravels in the Millwood Creek, a tributary of the Homtini River. The Millwood goldfields were proclaimed in January 1887 and Millwood Creek was renamed Jubilee Creek to mark Queen Victoria’s golden jubilee. Prospectors and miners were attracted to the area, with many coming from the Australian and Californian goldfields. Millwood developed as a small town with hotels and a post office. The initial enthusiasm was short lived as the amounts of gold produced were limited andricher pickings on the Witwatersrand (proclaimed in 1886) no doubt attracted many miners away. From 1900 Millwood was largely deserted, although mining continued sporadically until the goldfields were officially de-proclaimed in 1924. Official gold production figures indicate that production totalled 3,170 ounces between 1887 and 1905.

Two types of deposit were exploited by the miners. Alluvial material accounted for the bulk of the gold production, however the gold was distributed unevenly or erratically resulting in generally lean pickings. When combined with tough working conditions, in the often deeply incised and heavily wooded valleys, many ventures struggled to survive. Contemporary reports suggest that older gravels, adjacent to or above the modern river channel, may have been more productive. These older gravels were also noted to occur on the tops of many of the hills in the area as well as near the coast at Knysna and Sedgefield, where Karoo age sediments also occur.

The folded and sheared sandstones of the Tchando Formation forming the hills surrounding Millwood were found to contain numerous quartz reefs soon after the alluvial deposits had been discovered. Initial results from these reefs were encouraging and by 1890 over 70 different reefs had been identified and pegged, although relatively few attracted sufficient investment to be developed. Reef thicknesses ranged from a few inches up to 6 foot and these were found to be traceable for considerable distances, some in terms of miles. Most of the gold within the quartz reefs appears to have been recovered from close to surface, where weathering of sulphide minerals had taken place. Some spectacular gold grades were recorded (often in terms of ounces per tonne) and visible gold was widely reported. With depth the reefs passed into fresh material with galena, pyrite and sphalerite present. The galena is described as being both auriferous and argentiferous and was regarded as a marker for good gold grades. Lack of mining experience and speculation amongst the claim owners, combined with a lack of financial
investment in suitable crushing and amalgamation equipment meant that the required technology to process the sulphide ore was never bought to site.

The Millwood goldfield has now become a nostalgic memory to many in the Knysna area. A small museum and underground tours of one of the original adits now form part of the tourist attractions of the Knysna area. Whilst Millwood was a small part of South Africa’s gold mining history, did circumstances conspire to make this an opportunity missed?