

# Diamond discovery in Su Valley launches \$1 million search

■ **FRAGMENTS:** Palmer gold miner is on a quest to find bigger pieces of the mineral.

By **PAULA DOBBYN**  
Anchorage Daily News

Exploration near Peters Creek in the Susitna Valley has turned up a rare find in Alaska: diamonds. And a \$1 million push is on to find more.

Carl Tatlow of Palmer is a placer gold miner who discovered purple and orange garnets in gravel he dredged up

a few years ago close to Shulin Lake, 24 miles southwest of Trapper Creek. Geologists consider garnets "indicator minerals," suggesting that diamonds might be in the vicinity.

Tatlow and some friends, Roland and David Mullen — a father and son from Canada — formed Shulin Lake Mining Co. to hunt for more.

"When we found the indicator minerals in our placer mine, (we) knew that we were close," David Mullen said.

Seventeen microdiamonds, or fragments, turned up, and last October an-

## **MAT-SU** **FOCUS**

other round of drilling produced three more, Tatlow and Mullen said.

After his wife's death last year, Tatlow left the

project, but two publicly traded companies in Alberta, together with the Mullens, are aggressively pursuing more exploratory drilling this year.

Golconda Resources Ltd. of Calgary and Shear Minerals Ltd. of Edmonton, with Shulin Lake Mining, invested \$1 million in the drilling program, which wrapped up for the winter this month,

according to Golconda's president. Exploration will resume when the ground is dry, possibly in June.

The joint venture shipped two to three tons of core samples to a lab in Ontario and expects results in May, said Guenter J. Liedtke, president of Golconda, the controlling partner.

"We hope we find a few bigger diamonds in these samples," Liedtke said.

Diamonds are the world's hardest substance. Eighty percent of diamonds are used for industrial purposes, such as drilling, grinding, cutting and polish-

ing. Jewelry is the other big use.

Although diamond exploration is booming in Canada's Northwest Territories, that's not the case in Alaska by any means. In fact, aside from the Shulin Lake discovery, there have been few substantiated reports of diamonds being found in Alaska.

Three diamonds were found in the 1980s on Crooked Creek, near Central in the Circle mining district of the Interior, according to a report from the Alas-

See Back Page, **DIAMONDS**

**A-8** Monday, March 21, 2005

**BACK PAGE**

★ Anchorage Daily News

## **DIAMONDS:** *Small gems found in Su Valley*

*Continued from A-1*

ka Division of Mining. Placer miners discovered the gems accidentally while cleaning out their sluice boxes. The diamonds were larger than the ones recovered from the Shulin Lake area, ranging from 0.3 to 1.4 carats in weight.

Most diamond mines are developed in places where a form of rock called kimberlite exists. Kimberlite is not known to occur around Peters Creek, so the chances that the Shulin Lake project will turn into a diamond mine is remote at this point, several mining experts, including Liedtke, acknowledged.

But that doesn't mean the exploration won't turn up more diamonds. The question is, will they be large enough to justify continued exploration or make a larger-scale project feasible?

"It's a long shot. It's a high-risk, high-reward situation," Liedtke said.

Steve Borell, executive director of

the Alaska Miners Association, agreed.

"It's exciting to see exploring for diamonds, but the probability of success of any one venture is pretty doggone slim," Borell said. "But I'm cheering for these guys and I hope they're successful."

David Mullen, who owns Shulin Lake Lodge, is optimistic about finding more diamonds on the state-owned property.

"If you find small ones, you usually find big ones," he said.

That's the theory, at least.

"We have found diamonds in two samples," Liedtke said. "We have found lots of indicator minerals. We know

from the geochemistry that they occur in rocks where diamonds are found. It seems to be logical that there has to be more."

Finding diamonds is so rare, espe-



Photo by Alaska Department of Natural Resources

A Canadian joint venture has invested \$1 million to explore for diamonds near Shulin Lake, 24 miles southwest of Trapper Creek. Twenty fragments have been found so far. Drilling samples are being tested in Ontario to see if more diamonds, possibly larger ones, are there.



RON ENGSTROM / Anchorage Daily News

cially in Alaska, that regardless of what happens next at Shulin Lake, the 20 fragments found so far are pretty darn noteworthy, Borell said.

"You've had tremendous success in

your program if you find diamonds in a drill core," he said.

■ Daily News reporter Paula Dobbyn can be reached at pdobbyn@adn.com or 257-4317.