Alexander Cameron, nick-named Black Sandy, or Alexander Dubh in Gaelic, because of his dark hair, eyes and complexion, is one of the most intriguing characters to have been associated with the early history of Penola.

Born in 1791 at Inverroy, Lochaber, near the confluence of the Rivers Roy and Spean at the foot of Ben Nevis, he was the eldest son of Donald (Saor) Cameron and his second wife, Christina Cameron.

His namesake and nephew, Alexander (King) Cameron, 19 years younger, was the son of Black Sandy's eldest half-brother, John, who in turn was also the son of Donald (Saor..Joiner) Cameron and his first wife, Mary.

'King' Cameron applied for a South Australian occupation license on 19 December 1845 for a 48 square mile run on the Limestone Ridge where Penola now stands, and had a substantial flock of 3,000 sheep, as well as 50 cattle and 3 horses on his run by 14 February 1846.

Donald McArthur applied for land to the west, but probably had insufficient sheep to hold his claim, and was dispossessed by the copious flocks of the Austin Brothers, who applied for an occupation licence on 16 March 1846. The fate of the third of the pioneering trio is described in King Cameron's distinctively flamboyant handwriting in a letter to the South Australian Commissioner of Crown Lands, Charles Bonney:

Grange [Hamilton] February 14th 1846 Mr Boney [sic]

Dear Sir for your information I enclose a kind of chart of my run along with the description so that you will see better the way its situated and also Donald McArthur's and Archy McDonald's run. Poor McDonald was killed with a dray coming from Portland but his wife has a possession of the run and intends to keep it...

I remain Dear Sir, Your most obedient Servant Alexr Cameron Junior

'King' Cameron's venture on the Limestone Ridge prospered and he had sufficient sheep to maintain his claim and keep his rapacious neighbours at bay. Within a month of the South Australian and New South Wales boundary being surveyed by Henry Ward and Edward White, Commissioner Bonney issued him, in his name alone, with a textual description of his occupation license (No 107) on 3 May 1847.

'King' Cameron succeeded in being granted a licence on 16 November 1848 that enabled him to convert his original homestead hut into Penola's first Royal Oak Hotel, around which he proceeded to lay-out his private township of Penola...

Local legend has it that... Black Sandy [was found] lying dead beside the tin dish of whiskey. The truth is perhaps less dramatic, but he did die on 23 April 1858 at Penola Station, aged 67. His death certificate, dated three days later, gives the cause of his death as Morbus Brightii (kidney failure) and Dropsy (consequent oedema). Although buried in Penola's Old Cemetery, it was reputed that his presence continued to haunt the old homestead:

Miss Cameron and a maid slept in Black Sandy's room after he died, and after one night they came out in a terrible state and they reckoned his ghost came in. [Similarly, some time later, a visitor enquired] 'Where's the gentleman I saw last night? He has not come to breakfast this morning; he was in my room last night.'