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HD **Chinese** investor beefs up portfolio

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LP **A Chinese** ball bearing magnate has snapped up vast tracts of prime cattle country in the Pilbara as he continues his love affair with WA agriculture.

Xingfa Ma is the new owner of Balfour Downs and the associated Wandanya pastoral lease covering about 639,500ha adjoining Hancock Prospecting's Roy Hill mining operations.

TD Mr Ma already owns the Ferngrove **Wine Group** based in the Great Southern and Emu Downs farm, which covers about 8000ha near Cervantes.

He is targeting demand for prime beef in **China** after setting up a supply and distribution network for quality WA wines.

It is understood Mr Ma paid about \$18 **million** for the Balfour Downs operations through the Australian arm of his Tianma Bearing **Group** in a deal approved by the WA Cabinet.

Veteran pastoralist Don Hoar developed Balfour into one of WA's top cattle properties over the past 16 years.

It boasts a herd of mainly Red Brahman with about 13,000 breeding females, state-of-the-art cattle yards and a network of 35 dams and 55 bores, including one with 27km of pipe.

Ferngrove managing director Anthony Wilkes said the herd and infrastructure was outstanding.

Mr Wilkes said Tianma was weighing up options for supplying beef to **China**, including live exports and processing in WA.

The Balfour management team will remain in place in the short- term and cattle will continue to be moved south to Emu Downs for finishing under the operating model.

Mr Wilkes said while Mr Ma was happy to showcase WA's premium wines, steak, lamb, prawns and rock lobster, as well as its relatively untouched environment, he preferred to keep a low profile on his frequent visits.

More than 100 **Chinese** food and **wine** distributors and restaurant owners have visited WA as Mr Ma's guests over the past 12 months.

The latest **group** cruised on the Swan River last week after dining on the finest WA produce at Ferngrove's headquarters near Frankland River.

Mr Ma has invested about \$20 **million** in Ferngrove since 2011 and built a distribution network covering more than 60 retail outlets throughout **China**.

Mr Wilkes said Mr Ma was in WA agriculture for the long haul and appreciated the need to invest "patient capital".

"Mr Ma sees red **wine** and beef from WA and Australia as having significant opportunity with the emerging middle-class in **China**, but securing the right high-quality, premium supply that is consistent will be increasingly

important," he said.

Meanwhile, a **Hong Kong**-based investor has joined the stampede to secure prime cattle country in WA's north in a deal which includes an 80km stretch of coast between Port Hedland and Broome.

Sources close to the deal said a **company** backed by Bruce Chong was set to finalise the purchase of Pardoo Station and its extensive cattle and tourism operations early in 2015.

The station covers almost 200,000ha and carries about 7500 head of Santa Gertudis and Brahman cattle.

Pardoo sits on top of huge water reserves in the Canning Basin and has a 145-bay caravan park, store, restaurant and pool.

It had been on the market with an asking price of about \$27 **million**.

Much of the valuation was based on the water assets and an irrigation system described as "almost beyond parallel".

The irrigation system is supplied through a 2.5-gigalitre a year licence with moves to add 5.5GL a year to the licence under consideration.

Pardoo has been a stopover point for thousands of cattle from Liveringa and Nerrima stations on their journey to farms in the south where they are fattened up for live export or processing.

Liveringa and Nerrima stations are owned by Gina Rinehart.

Ms Rinehart is finalising the purchase of four cattle stations covering more than one **million** hectares of the Kimberley in a deal believed to be worth about \$65 **million**.

It is understood companies associated with Mr Chong have global investments in the **wine** and tobacco industries.

Pardoo owner Graeme Rogers refused to comment on the **sale**.

CO hkpros : Hancock Prospecting Pty. Ltd.

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