

SE **Business**
 HD **Rinehart milks formula boom**
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Gina Rinehart is set to broaden her agricultural interests through a \$500 **million dairy** industry investment aimed at supplying infant formula to the **Chinese** market.

Hancock Prospecting has confirmed a venture it controls in partnership with a **Chinese** state-owned **company** plans to **buy** thousands of hectares of Queensland farmland and a processing facility.

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The deal is set to be signed in Brisbane this weekend at the G20 leaders' summit.

"Mrs Rinehart has been involved in the planning of this exciting venture, which will be a huge boost for Australia, Australian exports and for the Queens- land **dairy** industry, which has been in much need of support," a Hancock Prospecting spokesman said yesterday.

"Hancock Prospecting and Gina Rinehart are huge believers in Australia and back strong export opportunities for the country.

"It's in line with the **company**'s principles . . . and we're very happy to be supporting the Australian **dairy** industry."

Hancock Prospecting is understood to hold a 70 per cent **stake** in recently formed Hope Dairies, in partnership with **China** National Machinery Industry Corporation, or Sinomach, an enterprise run by the central government and among the world's biggest.

Hong Kong-based co-investor and director Dave Garcia said Hope Dairies would **acquire** about 5000ha in the South Burnett region north-west of Brisbane.

A former Mount Gibson **Iron** senior executive, Mr Garcia said the operation might produce up to 30,000 tonnes of formula a year, with first production planned in 2016.

The **dairy** deal follows Hancock Prospecting in July announcing a \$65 **million** beef venture which gave Mrs Rinehart 50 per cent of the Liveringa and Nerrima stations that cover 470,000ha in the Kimberley.

The **Chinese** formula market is forecast to almost double over three years to about \$26 **billion**, with foreign produce favoured because of a domestic contamination scandal.

"They are going to be reliant on imports for a good while and they are looking to get clean material, and material that is identifiable into the market," Mr Garcia said.

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hkpros : Hancock Prospecting Pty. Ltd.

IN

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