

SE News
 HD **Concern over China plans**
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RECENT claims about foreign investment in southwest **dairy** farms could create “false hope”, investors have warned.

And others fear unfulfilled promises or unsuccessful investments could damage the Australian **dairy** industry’s chances for future funding.

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Up to 50 **dairy** farms are expected to be targeted by **Chinese**-backed Linear Capital, with plans to build two processing plants in the region and lease Glenormiston College.

Linear Capital remained tight-lipped about the deal, but The Weekly Times understands **dairy** farmers continue to meet with the investors.

The Weekly Times has spoken to many investors and consultants who all shared concern about the deal, its timing and how false hopes could affect **dairy** farmers themselves.

One investment adviser, who did not wish to be named, said “it’s hard enough to **buy** one farm let alone 50”.

Another questioned the funding of the deal, while another worried that **dairy** farmers were banking on selling to this organisation and feared the deal would not come off.

When asked about Linear Capital, newly listed investor Australian **Dairy** Farms **Group** chairman Michael Hackett said he wasn’t “in any position to comment on anyone else’s strategies ... I’m only going by the media articles”.

He said there were other “fairly substantial players behind the scenes” and that there was room for big and small investment interests in dairying.

The **group**, which has two **dairy** farms in southwest Victoria, said it have been doing due diligence on a number of farms for 12 months and the process to expand was a long-term strategy.

“One of the things we have learnt very early in the piece was not to promise what you can’t deliver in the early stages, not make wild promises,” Mr Hackett said.

Linear Capital managing director Troy Harper said he had nothing else to add to the conversation.

“I have a personal reaction ... but as I said, we are running a **business** not a commentary shop,” he said.

The Weekly Times understands some farms are further along in talks than others and different ways to control **dairy** farms, such as lease or **equity** deals, have been considered. The proposed southwest Victorian foreign investment swoop has been backed by industry lobby groups.

IN i010010502 : Dairy Cattle Farming | i0 : Agriculture | i01001 : Farming | i0100105 : Cattle Farming |
ilsfarm : Livestock Farming

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