[Home](#) / [Business](#) / [Agriculture](#) / [Livestock](#)

Feb 16 2015 at 1:15 AM | Updated Feb 16 2015 at 1:15 AM

[Save Article](#) | [Print](#) | [License Article](#)

## Chinese conglomerate swoops in \$40m Queensland rural deal



There is strong Chinese appetite for Australian rural property **Tamara Voninski**

by **Matthew Cranston**

One of China's top 500 companies Hailiang Group has contracted to buy more than \$40 million worth of cattle and cropping land east of St George in southern Queensland.

The conglomerate is controlled by Feng Hailiang, China's 90th richest man according to *Forbes*, and has interests across mining, real estate, agriculture and education.

The Group, which outlayed \$34 million for a residential development site at Campsie in south-west Sydney in January, has agreed in principle to purchase about 50,000 hectares spread across two stations.



Advertisement



station Mount Driven owned by Michael Gibbs is to be sold for more than \$10 million.

The deals were struck around Christmas and are to settle in March. Ray White Rural's Bruce Gunning had been marketing Hollymount Station but could not be contacted. Neither of the buying or selling parties were available for comment.

Hailiang Group employs about 12,000 employees and has total assets of 58.74 billion yuan (\$12.1 billion). The group is targeting an operating income of more than 120 billion yuan and total assets of 70 billion yuan by the end of this year.

*Forbes* records Mr Hailiang's wealth at about \$US1.7 billion (\$2.14 billion).

The Hailiang Organic Farming Company is the group's agricultural arm. It was established in 2011 providing "a comprehensive whole industry chain of organic agriculture".

Hailiang Organic has set up plants and breeding facilities in 16 provinces including inner Mongolia and Guangdong and has distribution centres in Beijing and Shanghai.

"By the end of 2020, Hailiang is supposed to be a world-leading brand," Hailiang's website said.

If the new purchases of the southern Queensland rural properties go through they will build on a steadily growing collection of Chinese investments in the area.

The two properties are less than 200 kilometres from Australia's largest irrigated cotton farm Cubbie Station, which was purchased in 2013 by the Chinese and



### 534 Redbank Plains Road REDBAN...

Retail 15,300m²



Expressions of Interest



### 20 McGowan Street POORAKA SA

Industrial / Warehouse 1,925m²

## Related articles

**Pinnacle Pines sells for \$19.7m**

Last year another Chinese group, Orient Agriculture, emerged as the buyer of south-west Queensland cropping property Undabri, about 120 kilometres away from the two properties, for \$30 million.

The transactions very clearly reflect China's growing appetite for farmland and its ability to feed its massive population into the future.

However, the transactions also come at a time when the federal government is enforcing greater transparency on foreign ownership of farmland.

Last week, the Prime Minister Tony Abbott, Treasurer Joe Hockey and agricultural minister Barnaby Joyce announced it would tighten the rules on foreign purchases of agricultural land by lowering the screening threshold which foreign investors must obtain approval for purchases to \$15 million. They also said a foreign ownership register of agricultural land would be created with the help of the Australian Tax Office.

Under current law, foreign groups seeking to acquire an agribusiness or agricultural land require Foreign Investment Review Board approval if the value of the assets being acquired exceeds \$252 million.

There have been polarising views on this issue.

## Developer Axiom buys Richmond Club land for hotel

## Sunsuper buys its first mall

## Investors sell to Chinese, more than double money

## Latest Stories



### Markets Live: ASX tests 5700 barrier

LIVE |



### Fortune favours the hungry in Victoria's central goldfields

8 mins ago



### It's official: coffee drinkers live longer

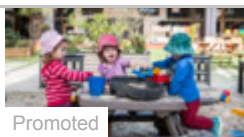
10 mins ago

[More](#)

Home News **Business** Markets Street Talk Real Estate Opinion Technology Personal Finance Leade



**Due diligence evolving to see what is really going on**



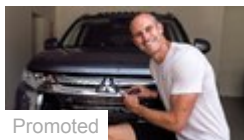
**Is play-based learning the right way to get kids ready for...**

Promoted

Goodstart



**Small caps discount at 16pc, CS says**



**Fitzy has always loved his Mitsubishi but how will the new...**

Promoted

Mitsubishi



**Robert Millner says family has been 'tarnished'...**



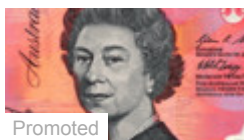
**Get more value trading with CommSec V4**

Promoted

CommSec



**Tesla is using a battery project, like SAs, to power South...**



**Brilliant new health insurance site sweeping Aus**

Promoted

Health Insurance



**How it Sold: 80-year-old grandmother snags Kirribilli...**



**Still looking for your ideal Hotel?**

Promoted

Trivago

 powered by plista



Celebrity chefs turn conglomerate: the rise of the \$1b restaurant

Why this businessman loves gardens

'It's good when opening staff leave'

Meet a third-generation salt maker

Top chef Peter Gunn on how to cope with your critics

How to get yourself noticed like Trump

How to manage change

How to stand out from the start-up crowd

Hiring a chief digital officer not a data strategy

Love in the age of Tinder is a 'crisis state'

Behind closed doors at Le Ritz

The best drone flying experience, and one of the least illegal revealed

The wine we can't get enough of

Enviably additions to your wardrobe: the Life & Leisure list

Channelling serenity at the Miho

Russian links to Trump campaign inner circle grow

Adani rail subsidy to hurt Queensland jobs

The NSA cyber virus that escaped the lab

M&A activity reflects mixed levels of optimism

Alternate providers adding liquidity

The Australian Financial Review  
www.afr.com.au

## My Premium AFR

My Alerts Create alert

Portfolio

Account

My Saved Articles (0)

## Subscription Terms

Digital Subscription Terms

Newspaper Subscription Terms

Corporate Subscriptions

## Contact & Feedback

About us

Our Events

FAQ

Contact us

Letters to the Editor

Give feedback

Advertise

Site Map

Accessibility

## Markets Data

Markets Overview

World Equities

Commodities

Currencies

Derivatives

Interest Rates

Share Tables

## Brands

The Australian Financial Review Magazine

BOSS

AFR Lists

Chanticleer

Luxury

Rear Window

The Sophisticated Traveller

