

HD Rinehart finalises \$500M Chinese milk deal

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MOU with the Queensland Government signed on Saturday.

Gina Rinehart has reached agreement with the Queensland Government over a \$500 million dairy export deal into the Chinese infant formula market.

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The announcement comes after months of speculation that Australia's richest woman was looking to get into Chinese formula exports.

Hope Dairies, majority owned by Rinehart's main company Hancock Prospecting, will produce pharmaceutical grade infant formula and UHT milk at a Queensland processing plant, a statement by Ms Rinehart confirmed.

It will also buy 5000 hectares of south-east Queensland dairy land and plans to process 150 million litres of milk a year for export from 2016.

A memorandum of understanding with the Queensland Government was signed on Saturday.

The project is expected to create 350 construction jobs and 480 full-time positions once operational.

"This is a significant and welcomed boost for the Queensland dairy industry and the investment will bring substantial employment and dairy processing capacity back to the state," Ms Rinehart said.

Her Chinese partner is a subsidiary of China National Machinery Industry Corporation, which has interests manufacturing farming machinery and has been looking to invest in Australia for some time.

It's not the first time Ms Rinehart has made a move into agriculture.

Earlier this year, she paid \$40 million for a 50 per cent share in two Western Australian cattle stations shortly after her mining competitor, Andrew "Twiggy" Forrest bought the state's biggest beef producer, Harvey Beef.

She says she's happy to continue her parents' legacy of investing in Australian agriculture "despite knowing this is a difficult industry in Australia, given high costs and government burdens".

CO hkpros : Hancock Prospecting Pty. Ltd.

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