

SE Business
HD 'Twiggy' beefs up his herd with \$30m buy
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The **billionaire** is looking to increase live cattle exports **BILLIONAIRE** Andrew Forrest is poised to become a central figure in the nation's push to become a major food exporter to **China** after buying Western Australia's biggest beef producer, Harvey Beef, in a deal worth more than \$30 **million**.

Mr Forrest, who already owns vast cattle stations in WA's Pilbara region, bought the **company** from **Hong Kong**-based private **equity** fund Pacific Alliance Group.

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The deal confirms speculation that Mr Forrest believes in the potential growth in demand for Australian beef in the same way he successfully predicted 10 years ago that his **mining company**, Fortescue Metals, would benefit from **China**'s soaring demand for **iron ore**.

The largely untapped **Chinese** market is seen as the holy grail for the Australian beef industry, both for processed beef and live cattle exports.

Mr Forrest, who is cashed up after reaping dividends worth hundreds of **millions** of dollars in recent years from his holding in Fortescue, is believed to be pursuing a separate deal with agribusiness **company** Elders that would open up live cattle exports to **China**.

It is understood he has met senior **Chinese** government officials with the aim of relaxing quarantine laws.

Harvey Beef is WA's only accredited exporter of beef to **China**. It also exports to Japan, Korea, Indonesia, Taiwan, the Middle East, the US and more than 20 other countries.

The business processes about 145,000 grass and grain fed animals each year, employing about 300 people.

Mr Forrest's private **company**, Minderoo, said yesterday it would invest in upgrading Harvey Beef's facilities, in WA's southwest, to increase capacity in order to meet growing domestic and international demand for WA beef.

"I have always been a **firm** believer and an even stronger supporter of the Australian agri-cultural industry," Mr Forrest said.

"Harvey Beef has been an iconic brand for almost a century and I am delighted to work with its team to ensure Harvey Beef makes a significant and growing contribution to the state's economy and Australia's agricultural industry for the next century." The Australian revealed in January that Mr Forrest had become one of WA's biggest individual landholders after acquiring two vast Pilbara cattle stations from the collapsed empire of former tycoon Ric Stowe for \$4.5m.

The deal tripled the size of his pastoral land to 7300sq km — an area roughly six times the size of New York City.

Mr Forrest also owns Minderoo station, which has been in the Forrest family's hands for more than 120 years apart from an 11-year stretch from 1998 to 2009.

Harvey Beef was founded by Ernest Green in 1919 and owned by the family until 2005.

Mr Forrest outbid another local buyer, the Craig Mostyn Group, as well as **Chinese** and Japanese investors. Harvey Beef chief executive Michael Hughes said the **sale** was an excellent result .

CO ambol : Fortescue Metals Group Ltd

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