

# In one fell swoop, Gina Rinehart becomes Wagyu beef baroness

SUE NEALES  
RURAL REPORTER  
October 6th

Australia's richest businesswoman Gina Rinehart is further expanding her cattle empire, buying 1000 of Australia's most expensive breeding cows from globally renowned Victorian Wagyu breeder and meat producer David Blackmore.

Another prized 500 Blackmore Wagyu-bloodline cows have also been bought from Queensland cattleman Mal Burston, along with several Blackmore-bred bulls and large amounts of elite fullblood Wagyu semen, in a combined deal that is estimated to be worth more than \$7 million. The move cements the advent of the agricultural arm of Mrs Rinehart's Hancock Prospecting as one of Australia's biggest new beef cattle players and owner of prized Wagyu cattle genetic lines.

In the past two years, Hancock Prospecting has spent more than \$200m on six sprawling cattle stations in Western Australia's Kimberley region and the Northern Territory, and is currently bidding for the \$380m outback Kidman cattle holdings.

Further south, Mrs Rinehart has focused on buying productive properties suited to breeding and fattening the prized Wagyu cattle, including a concentration of small farms around the Mary River district, north of Brisbane, and three prime Wagyu breeding properties near Dubbo, 400km northwest of Sydney.

Blackmore Wagyu is the most expensive beef sold in Australia, with premium cuts retailing for \$250-\$450/kg. Its steaks at top Rockpool restaurants cost more than \$100.

All the Wagyu cows Mrs Rinehart bought from Mr Blackmore and Mr Burston were pregnant, delivering Hancock Prospecting Pty Ltd a near-term herd of 3000 pure-blood Wagyu cattle.

Ms Rinehart said the deal both increased the size of Hancock Prospecting's Wagyu herd and, most importantly, introduced large numbers of rare "full-blood" Wagyu genetics and cows to her southern Wagyu beef business.

Almost all existing Wagyu cattle herds in Australia, other than Mr Blackmore's, have been bred using Angus and dairy- breed cows inseminated with imported Wagyu semen, resulting in crossbred Wagyu cattle that are regarded as less genetically pure than the Blackmore herd based on elite Wagyu cattle sourced from Japan over two decades.

"This purchase provides HPPL with more premier Australian Wagyu breeders with the best quality genetics," Mrs Rinehart said.

"This will accelerate the expansion of our herd and the development of our premium 2GR brand."

Mr Blackmore said his business had been preparing for the big deal for more than two years, breeding up enough cows to supply a potential large buyer such as Hancock Prospecting. The deal will allow Mr Blackmore and his family business to buy a new property and to continue his famed

beef business, after being forced to stop breeding and farming cattle on his Alexandra farm, on the Goulburn River in central Victoria, by a wrangle over planning and land-use laws.

Mr Blackmore stressed that the sale of so many breeding cows did not mean his business was being dispersed or scaled back.

Nor was Hancock Prospecting joint-venturing with his Wagyu business.

“We get inquiries all the time from overseas and Australian interests wanting to buy into our business, or to buy our entire herd, and we always say no, just as we have in this case,” he said.

“This is just a straight sale of cattle that we have been planning for several years; it gives us the capital as a family to expand to a new farm and move forward but won’t affect our beef production at all.”

Mr Blackmore said his family was still looking for a new farm as Blackmore Wagyu’s permanent home, and meanwhile had leased 1500ha near Melbourne to continue beef production.

Plans to build a specialist Blackmore Wagyu abattoir to ensure the high-priced beef protects its premium reputation are also on the drawing board.

## Rinehart builds Wagyu herd

06 Oct, 2016



HANCOCK Prospecting Pty Ltd (HPPL) has recently completed a purchase of 1,500 Fullblood Wagyu cattle, including purchases from globally renowned Wagyu breeder, David Blackmore and Queensland based Mal Burston.

This acquisition not only increases the size of HPPL's Wagyu herd, but the furtherance of high quality Fullblood genetics ensures that the herd will be able to sustainably produce premium Wagyu beef products into the premium domestic and export markets.

The breeder herd will be located on HPPL's New South Wales cattle properties, near Dubbo, and the progeny cattle will be located on HPPL's Queensland properties where they will graze on pasture and grain supplement.

"This purchase provides HPPL with more premier Australian Wagyu breeders with the best quality genetics," executive chairman of the HPPL group, Gina Rinehart said.

"This will accelerate the expansion of our herd and the development of our premium 2GR brand." CEO Garry Korte said "We are excited to be investing further in Australian agriculture and contributing to the development of Australia's reputation as a clean green agricultural producer."

Acclaimed Wagyu producer David Blackmore is encouraged by the deal, and said “Mrs Rinehart’s family has its roots in Australian agriculture.

“I am delighted that Hancock is continuing to make productive investments in Australian agriculture, with a focus on high quality and value-adding.” Mr Burston said.

“HPPL recognises the value of Fullblood Wagyu and producing premium products for the discerning market and this acquisition will allow it to do so.”

## **Gina stakes an interest in wagyu**

6 October 2016, Gold Coast Bulletin

MINING magnate Gina Rinehart has expanded her fast-growing agricultural operation through the purchase of 1500 full-blood wagyu cattle.

Ms Rinehart's Hancock Prospecting announced the deal yesterday, with the acquisition coming from renowned Victorian-based breeder David Blackmore and Queensland-based Mal Burston.

The breeder herd will be based on the group's recently purchased cattle properties near Dubbo in New South Wales, while progeny cattle will be moved to Hancock's Queensland stations.

"This purchase provides Hancock Prospecting with more premier Australian wagyu breeders with the best quality genetics. This will accelerate the expansion of our herd and the development of our premium 2GR brand," Ms Rinehart said.

The transaction follows a period of expansion for Hancock in the cattle industry after Ms Rinehart paid \$30 million for the Glencoe station near Dubbo last year.

In 2014, Hancock Prospecting agreed to a \$25 million deal for Paul Salteri's Boogadah and Kagan properties – also near Dubbo – and paid \$40 million for a 50 per cent stake in two giant cattle stations in the Kimberley.

The action is a bid to capitalise on strong demand for Australian beef in Asia and is part of the broader trend to tap into China's growing interest in Australia's food industry.

Ms Rinehart had also been eyeing a \$500 million infant milk powder project in Queensland, but last year changed tack to refocus that property on wagyu production. Breeder Mr Blackmore said he welcomed the investment from the mining magnate.