

NTCA see Hancock purchase as a sign of good things to come

26 Jul 2016 Sally Cripps



Stocked up: Some 40,000 head of cattle are included in the purchase of Riveren and Inverway.
Picture: file.

News last week that Hancock Prospecting Pty Ltd was the new owner of two Victoria River region properties, Inverway and Riveren, covering over 550,000 hectares and a herd of 40,000 cattle, has been welcomed as a sign of northern Australia's general buoyancy at present.

Northern Territory Cattlemen's Association spokesman Tom Ryan said the purchase was a sign that the property market was getting back to reasonable land values after the blows dealt to it by the 2011 live export suspension.

"There has been a very large downturn over the last few years, and I think this will give the market a lift," he said. "The investment by a company such as Hancock brings with it a lot of capacity to develop the asset."

HPPL moved in to purchase the properties located south west of Katherine after a previously-announced transaction with other parties did not proceed, reaching a deal with Japfa Santori Australia P/L.

The buy builds on HPPL's previous investment that includes Fossil Downs, Liveringa and Nerrima in Western Australia's Kimberley region and was signalled by the company as "building on our agriculture vision".

The stations are situated on the Inverway fertile black plains, productive Wavehill basalt and Antrim soil types located in the southern parts of the Victoria River district, and expect an annual rainfall of 650mm or more.

Hancock Prospecting chairwoman, Gina Rinehart said she was very excited about the purchase and to be investing in Australia, particularly in the Northern Territory, "a jurisdiction which is supportive of agriculture and other investments".

The company plans to invest further to grow herd numbers, and is beginning to develop its 2GR beef brand to "capture additional value through distribution networks that value clean green Australian food products", according to Hancock CEO Garry Korte.

Booming beef prices are responsible for increased property turnover, according to the NTCA's Tom Ryan, who said some were seeing conditions as a good chance to sell out and reinvest elsewhere, while others were seizing the opportunity to buy into the north.