

\$40m pumped in to Beetaloo to create mega-station

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The 3000km of irrigation pipe being laid at Beetaloo station. Source: Supplied

IF any Australian politician wants to see what the first phase of development in northern Australia is likely to look like, remote Beetaloo cattle station, 700km south of Darwin, is the ideal place to start.

Beetaloo is the blueprint for what can be achieved if the four ingredients essential to the future intensification of agriculture in northern Australia — water, bold vision, local know-how and outside capital — are available and blended in abundance.

“The cattle industry right now is where you get the most bang for your buck; especially if you have outside investors prepared to back you,” says owner John Dunnicliff, who bought sprawling Beetaloo on the northern Barkly Tableland for \$20 million in 2002.

In those days, like most underdeveloped northern cattle stations, Beetaloo was divided into a mere 10 vast paddocks of scrub and native grassland, running just 20,000 cattle.

Improvements ran to 40 small open dams scattered across its one million lonely hectares.

Large mobs of cattle would cluster for most of the year around this scarce water to drink, leaving much of the plentiful grass that flourishes on the Barkly’s black soils to go to waste ungrazed, or lost in the lightning-strike grassfires. Just 40 per cent of its cows reared a calf annually.

Enter the highly experienced Dunnicliff clan, with a 10-year plan to divide Beetaloo into smaller paddocks, build 3000km of fences, drill 70 new groundwater bores, and sow better perennial grasses to improve the soil and add nitrogen.

There was 3000km of underground water pipe to bury, supplying water to 600 new water tanks and cattle troughs, each laid in a grid pattern 4km apart across the entire station.

The theory was simple. When cattle have to walk only 2km to water, the grass they eat is turned into meat, not expended energy. The cows are in better health and so rear more calves, while the pastures are utilised fully.

The bill was big; \$40m to transform Beetaloo into a station carrying 100,000 head, producing 25,000 young cattle annually for the lucrative live cattle trade to Indonesia and, soon, China. But per animal, the cost was less daunting. A capital investment of just \$500 for each extra beast enabled Beetaloo to carry five times as many cattle long term and sustainably.

“But we still couldn’t afford that sort of dough; it’s big money early on and you don’t earn enough out of cattle to do that, so it’s not for the faint-hearted,” says Dunicliff. “We needed the finance for development so we talked to interested pension funds and overseas investors — but Brett Blundy was the only one with the foresight and desire to get involved and make the commitment.”

A mega-wealthy Australian and Asian retailing entrepreneur who owns homemaker centres and runs BB Retail Capital, Blundy initially contributed \$36m as a loan to Beetaloo. But he is now keen to convert his investment into a 40 per cent stake in the Dunicliff family’s company, Barkly Pastoral, and to help the business expand as Asia continues to chase red meat.

Blundy already owns two nearby cattle stations, OT Downs and Mungabroom, and this year invested \$7m helping Dunicliff’s daughter Emma and her husband, irrigation pipe manufacturer Adrian Brown, buy another Barkly station, Amunga Mungee.

“We’re very close to Asia and the world is waking up to the huge advantage (that gives) Australia,” Blundy said in a recent rare interview with ABC Landline. “It goes even further than breeding cattle — (Asian food) demand will drive (northern Australia) to much greater heights over years to come; I think it’s a good place to be.”

The Beetaloo project is nearly completed. The new water system fed from the aquifer below has allowed herd numbers to surpass the 80,000 mark. In the first transformative year, 65 per cent of cows reared a calf.

With better genetics, improved pastures, cell grazing and more intensive cattle management systems next on the horizon, Dunicliff says the watering of Beetaloo is just an early portent of greater things to come for northern Australia.

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