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Sundrop Sale, Grain Ports Spark Agribusiness Shifts

August 8, 2025

– Categories: Economics



Sundrop Farms, producing 20% of Australia’s fresh tomatoes, is for sale, while grain port bids and QantasLink’s final Lord Howe flight signal major changes in agribusiness and regional connectivity.

Sundrop Farms, a key player supplying approximately 20% of Australia’s fresh truss tomatoes, is on the market, marking a significant shift in the nation’s horticulture sector. Based in Port Augusta, South Australia, the hydroponic operation, which uses solar power and desalinated seawater, has been a major supplier to Coles Australia for a decade, producing 17,000 tonnes of tomatoes annually, per ABC News. The business, now owned by management shareholders since its 2022 separation from Centuria Capital’s agricultural fund, was previously sold by Morrison & Co. for \$70 million,

according to Queensland Country Life. Potential buyers include horticulture giants like Costa Group, Perfection Fresh, and Roc Partners, which owns Flavorite, though no sale price has been confirmed, per The Land. The sale reflects growing investor interest in sustainable agriculture but raises concerns about market consolidation.

Meanwhile, South Australia's grain export industry faces upheaval as Investment Corporation of Australia and Middle East (ICAM) seeks to sell its T-Ports facilities on the Eyre Peninsula, capable of handling 1.4 million tonnes of grain annually. The Australian Financial Review reports a potential sale price exceeding \$200 million, with interest from North American pension funds, Macquarie Group, and BlackRock, alongside local grower groups. The sale, which could involve joint ventures or individual port sales, underscores the strategic importance of grain infrastructure but highlights risks of foreign ownership in critical agricultural assets.

In aviation, QantasLink is retiring its 32-seat Dash-8 Q200 aircraft, ending its Sydney-to-Lord Howe Island route by February 2026, per Stock Journal. The service is transitioning to SmartLynx Australia, formerly Skytrans, which will operate Q300 aircraft after pilot training. This shift, reported by Farm Weekly, raises concerns about regional connectivity and higher airfares for remote communities reliant on the route.

These developments highlight economic pressures and opportunities in Australia's agribusiness and transport sectors. While the Australian Labor Party (ALP) government pushes green initiatives, critics argue its policies, including high energy costs, burden farmers and regional businesses, per The Australian. The Sundrop sale and grain port bids signal robust investor interest, but stakeholders worry about affordability and access in rural areas.