



**CHINA DAIRY CORPORATION LIMITED**

## **Notice of 2017 Annual General Meeting**

**Date of Meeting:** Friday, 22 December 2017

**Time of Meeting:** 11:00am China Standard Time (2:00pm Australian Eastern Daylight Time)

**Place of Meeting:** Beiqi Caiyu International Conference Centre No. 2 conference room Cailin Road, Caiyu Town, Yizhuang Economic and Technological Development Zone, Daxing District, Beijing, China

**CHINA DAIRY CORPORATION LIMITED**

ARBN 607 996 449

Hong Kong Company Registration Number 2190508

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“AGM”) of the Members of China Dairy Corporation Limited, ARBN 607 996 449, (the “Company”) will be held at Beiqi Caiyu International Conference Centre No. 2 conference room Cailin Road, Caiyu Town, Yizhuang Economic and Technological Development Zone, Daxing District, Beijing, China on Friday, 22 December 2017 at 11:00am China Standard Time (2:00pm Australian Eastern Daylight Time).

We encourage you to complete and return the enclosed CDI Voting Instruction Form. The completed CDI Voting Instruction Form needs to be received at the address shown on the Form before 11:00am China Standard Time (2:00pm Australian Eastern Daylight Time) on Tuesday, 19 December 2017.

The Notes and Explanatory Statement accompany and form part of this Notice of AGM. The Notes and Explanatory Statement provide additional information on matters to be considered at the AGM and should be read in their entirety.

## Items of Business

### 1. 2017 Financial Report, Directors’ Report and Auditor’s Report

To receive and consider the Company’s Financial Report, together with the Director’s Report and Auditor’s Report, for the year ended 30 June 2017 as set out in the Company’s 2017 Annual Report.

*No resolution is required by law in respect of this item. However, the Company would like to provide the shareholders with the opportunity to ask the Directors questions in relation to the reports.*

### 2. Resolution 1: Reappointment of Director – David Batten

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

#### **Resolution 1**

*That David Batten who retires as a Director in accordance with article 27(2) of the Company’s Articles of Association and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.*

### 3. Resolution 2: General Mandate to Issue and Allot New Shares

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

#### **Resolution 2**

*That, subject to any restriction in the ASX Listing Rules in relation to issuing new capital (including ASX Listing Rules 7.1, 10.11 and 10.14), the Corporations Act 2001 (Cth), pursuant to Section 141 of the Companies Ordinance, Hong Kong, Cap 622, a general mandate be given to Directors to exercise any power of the Company to allot or issue, grant options over, offer or otherwise deal with or dispose of shares in the Company on and subject to such terms as the directors may determine including to allot or issue further shares and to make or grant offers, agreements and options which would or might require shares to be allotted to persons other than existing members of the Company, or to members of the Company otherwise than in proportion to their existing shareholdings in the Company provided that the*

*authority shall, unless earlier revoked or varied by members of the Company in general meeting expire on the earlier of (a) the conclusion of the next annual general meeting of the Company or (b) the expiration of the period within which the next annual general meeting of the Company is required in accordance with the Articles of Association of the Company, or any applicable law, to be held.*

#### 4. Resolution 3: Remuneration of Non-Executive Directors

To consider and if **thought** fit, to pass the following resolution as an ordinary resolution:

##### **Resolution 3**

*That the maximum aggregate annual remuneration of the Non-Executive Directors be increased by A\$166,000 from A\$134,000 to A\$300,000 per annum.*

##### **Voting Exclusions**

Pursuant to ASX Listing Rules, Rules 10.17 and 14.11, Directors and their associates within the meaning of the ASX Listing Rules are excluded from voting on Resolution 3. The Company will disregard any votes cast on Resolution 3 by any Director and any associate of a Director.

However, the Company need not disregard a vote for the purposes of the ASX Listing Rules if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the Chair of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### 5. Resolution 4: Change to Articles of Association

To consider and if thought fit, to pass the following resolution as a special resolution:

##### **Resolution 4**

*That, the China Dairy Corporation Limited Articles of Association be amended, with effect from the close of the meeting, as described in the explanatory statement for this resolution in this notice of meeting.*

## Notes

### Voting entitlements

The Directors have determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the AGM and CHESS Depository Interests (“CDI”) holding of CDI holders will be taken to be held by persons who are registered as members at 4:00pm China Standard Time (7:00pm Australian Eastern Daylight Time) on Tuesday, 19 December 2017. Accordingly, transfers registered after that time will be disregarded in determining members entitled to attend and vote at the meeting.

### Proxy Voting by holders of ordinary shares

Holders of ordinary shares in the Company are invited to attend and vote at the AGM in person or by their authorised corporate representative or appoint someone as their proxy to attend and vote at the meeting on their behalf.

Shareholders who are unable to attend the AGM are encouraged to complete, sign, date and return the proxy. A proxy will not be valid unless it is deposited by mail at the office of the Company, Unit D, 16/F, One Capital Place, 18 Luard Road, Wan Chai, Hong Kong or by fax on +852 2777 9733 by 11:00am China Standard Time (2:00pm Australian Eastern Daylight Time) on Wednesday, 20 December 2017.

## Direct voting by holders of CDIs

Holders of CDIs are invited to attend and speak at the AGM but are not entitled to vote personally at the AGM.

In order to have votes cast at the AGM on their behalf, CDI holders must complete, sign and return the enclosed CDI Voting Instructions Form to Boardroom Pty Limited, by mail at Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001 Australia, in person at Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000 Australia, or by fax on +61 2 9290 9655, in order to direct CHES Depository Nominees Pty Ltd (“CDN”) to vote the relevant ordinary shares on his or her behalf. The CDI Voting Instruction Form needs to be received at the address shown on the form before 11:00am China Standard Time (2:00pm Australian Eastern Daylight Time) on Tuesday, 19 December 2017.

## Explanatory Statement

### 2017 Financial Report, Directors’ Report and Auditor’s Report

No resolution is required for this item, but Shareholders will be provided with a reasonable opportunity to ask questions or make comments in relation to Financial Report, Directors’ Report and the Auditor’s Report for the financial year ended 30 June 2017 as included in the Company’s 2017 Annual Report.

The Company’s 2017 Annual Report was filed on the ASX electronic filing system for Market Announcements on 2 October 2017 and an updated Annual Report was filed on the ASX electronic filing system for Market Announcements on 5 October 2017 (ASX code: CDC). The Company’s 2017 Annual Report can also be accessed at the Company’s website at: <http://chinadairyco.com/ASX.html>

### Resolution 1: Reappointment of Director – David Batten

In accordance with the Company’s Articles of Association, David Batten a Director of the Company retires by rotation at this Annual General Meeting and offers himself for election as a Director.

Details of Mr Batten’s qualifications, experience and special responsibilities are set out in the Company’s 2017 Annual Report.

### Resolution 2: General Mandate to Issue and Allot New Shares

Pursuant to Section 141 of the Companies Ordinance, Hong Kong, Cap 622, a general mandate must be given to Directors to issue any unissued shares in the capital of a company.

Resolution 2 allows the Directors to issue further unissued shares in the capital of the Company. This resolution is, however, subject to the ASX Listing Rules and, in particular to:

- (a) ASX Listing Rule 7.1 which restricts the Company from issuing new securities in the Company which would dilute the interests of existing Shareholders or CDI holders, to a maximum of 15% of the issued capital of the Company in any 12 month period without shareholder approval;
- (b) ASX Listing Rule 10.11 which restricts the Company from issuing new securities in the Company to a related party without shareholder approval; and

- (c) ASX Listing Rule 10.14 which restricts the Company from issuing new securities in the Company under an employee share plan to a Director or an associate of a Director without shareholder approval.

### **Resolution 3: Remuneration of Non-Executive Directors**

ASX Listing Rule 10.17 requires that the maximum total aggregate remuneration that may be paid to Non-Executive Directors of the Company be set by the Shareholders at a general meeting.

Resolution 3 seeks Shareholder approval to increase the maximum total aggregate remuneration that may be paid to Non-Executive Directors by A\$166,000 from A\$134,000 to A\$300,000 per annum. This has been determined after reviewing similar companies listed on ASX and the Directors believe that this maximum level of remuneration is in line with corporate remuneration of similar companies. The previous limit was approved by shareholders at the Company's 2016 Annual General Meeting.

It is noted that it is not presently intended to increase Non-Executive Directors remuneration or distribute all of the \$300,000 (if approved) in the current year, rather it will assist in accommodating any increase in the number of Directors and provide the flexibility to allow payment of appropriate fees over time.

No Company securities have been issued to a Non-Executive Director under rule 10.11 or 10.14 with the approval of the holders of the Company's ordinary securities at any time within the preceding 3 years.

### **Resolution 4: Change to Articles of Association**

Resolution 4 seeks shareholder approval to amend the China Dairy Corporation Limited Articles of Association to increase the number of directors required to form a quorum for a directors' meeting. Under Article 12(2) of the current Articles of Association, the quorum for a directors' meeting is fixed at two directors. Under the proposed Articles of Association, the quorum for a directors' meeting is increased to four directors. The Board consider the increase appropriate given the current size of the board and the Company's intention to increase the number of directors.

# CDI VOTING INSTRUCTION FORM FOR SHAREHOLDERS WHO HOLD SHARES THROUGH CHESS DEPOSITARY NOMINEES PTY LTD

## All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am China Standard Time (2:00pm Australian Eastern Daylight Time) on Tuesday, 19 December 2017.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** [www.votingonline.com.au/chinadairyagm2017](http://www.votingonline.com.au/chinadairyagm2017)
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

## CDI VOTING INSTRUCTION FORM

### CHINA DAIRY CORPORATION LIMITED GENERAL MEETING

For your vote to be effective it must be recorded **before 11:00am China Standard Time (2:00pm Australian Eastern Daylight Time) on Tuesday, 19 December 2017.**

### TO VOTE BY COMPLETING THE CDI VOTING INSTRUCTION FORM

#### STEP 1 HOW TO VOTE ON ITEMS OF BUSINESS

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESSE Depositary Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESSE Depositary Nominees Pty Ltd enough time to tabulate all CHESSE Depositary Interest votes and to vote on the underlying shares

#### STEP 2 SIGN THE FORM

**Individual:** Where the holding is in one name, the security holder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the security holders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory. i.e. Sole Director, Sole Company Secretary or Director and Company Secretary.

#### STEP 3 LODGEMENT

This form (and any Power of Attorney under which it is signed) must be received no later than 72 hours before the commencement of the meeting, therefore by **11:00am China Standard Time (2:00pm Australian Eastern Daylight Time) on Tuesday, 19 December 2017.** Any form received after that time will not be valid for the scheduled meeting.

#### Forms may be lodged:

- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia
- 💻 **Online** [www.votingonline.com.au/chinadairyagm2017](http://www.votingonline.com.au/chinadairyagm2017)

#### Comments and Questions

If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

#### Attending the Meeting

If you wish to attend the meeting, please bring this form with you to assist registration.

**Turn over to complete the form**

# China Dairy Corporation Limited

ARBN 607 996 449

## Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

**Please note, you cannot change ownership of your securities using this form.**

## CDI VOTING INSTRUCTION FORM

### STEP 1 CHESS DEPOSITARY NOMINEES WILL VOTE AS DIRECTED

#### Voting Instructions to CHESS Depositary Nominees Pty Ltd

I/We being a holder of CHESS Depositary Interests of the above Company hereby direct CHESS Depositary Nominees Pty Ltd to vote the shares underlying my/our holding at the **Annual General Meeting of China Dairy Corporation Limited** to be held at **Beiqi Caiyu International Conference Centre No. 2 conference room Cailin Road, Caiyu Town, Yizhuang Economic and Technological Development Zone, Daxing District, Beijing, China, 100025 China, on Friday, 22 December 2017 at 11:00am China Standard Time (2:00pm Australian Eastern Daylight Time)** and at any adjournment of that meeting.

By execution of this CDI Voting Form the undersigned hereby authorises CHESS Depositary Nominees Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.

### STEP 2 VOTING DIRECTIONS

\* If you mark the Abstain box for a particular item, you are directing CHESS Depositary Nominees Pty Ltd not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Reappointment of Director – Mr David Batten	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	General Mandate to Issue and Allot New Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Remuneration of Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Change to Articles of Association	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2017