
CHINA DAIRY CORPORATION LIMITED

ARBN 607 996 449

NOTICE OF EXTRAORDINARY GENERAL MEETING

TIME: 10:00am China Standard Time
12:00pm Australia Eastern Time

DATE: Monday, 9 July 2018

PLACE: Meeting room of Howard Johnson Sunshine Plaza Ningbo, No. 1288, Zhongshan West Road, Haishu District, Ningbo City, Zhejiang Province, China

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Representative on +61894820588

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting (“EGM”) of the Members of China Dairy Corporation Limited ARBN 607 996 449, (the “Company”) will be held at Meeting room of Howard Johnson Sunshine Plaza Ningbo, No. 1288, Zhongshan West Road, Haishu District, Ningbo City, Zhejiang Province, China on Monday, 9 July 2018 at 10:00am China Standard Time (12:00pm Australia Eastern 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 10:00am China Standard Time (12:00pm Australian Eastern Time) on Saturday, 7 July 2018.

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

Your fellow shareholders recommend you vote IN FAVOUR OF ALL RESOLUTIONS and encourage other shareholders to vote in this manner.

ITEMS OF BUSINESS

1. RESOLUTION 1 – ELECTION OF DIRECTOR – MR JIANQIAO ZHANG

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, having consented to act, for the purposes of section 26(1)(a) of the Company’s constitution and for all other purposes, Mr Jianqiao Zhang be and is hereby appointed as a director of the Company with effect from the close of this meeting.”

2. RESOLUTION 2 – ELECTION OF DIRECTOR – MR JIELI CHEN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, having consented to act, for the purposes of section 26(1)(a) of the Company’s constitution and for all other purposes, Mr Jieli Chen be and is hereby appointed as a director of the Company with effect from the close of this meeting.”

3. RESOLUTION 3 – ELECTION OF DIRECTOR – MR YOULIANG WANG

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, having consented to act, for the purposes of section 26(1)(a) of the Company’s constitution and for all other purposes, Mr Youliang Wang be and is hereby appointed as a director and executive chairman of the Company with effect from the close of this meeting.”

4. RESOLUTION 4 – ELECTION OF DIRECTOR – YUE LI

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, having consented to act, for the purposes of section 26(1)(a) of the Company’s constitution and for all other purposes, Mr Yue Li be and is hereby appointed as a director of the Company with effect from the close of this meeting.”

5. RESOLUTION 5 – REMOVAL OF A DIRECTOR - MR ENJIA LIU

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 30(9) of the Company’s constitution and for all other purposes, Mr Enjia Liu be and is hereby removed as a director and executive chairman of the Company with effect from the close of this meeting.”

6. RESOLUTION 6 – REMOVAL OF A DIRECTOR - MR KEVIN CHOR BAN YAU

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 30(9) of the Company’s constitution and for all other purposes, Mr Kevin Chor Ban Yau be and is hereby removed as a director of the Company with effect from the close of this meeting.”

7. RESOLUTION 7 – REMOVAL OF A DIRECTOR – THE HON. ANDREW JOHN STONER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 30(9) of the Company’s constitution and for all other purposes, The Hon. Andrew John Stoner be and is hereby removed as a director of the Company with effect from the close of this meeting.”

8. RESOLUTION 8 – REMOVAL OF A DIRECTOR – MS. CAROLINE MOI FAH HONG

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 30(9) of the Company’s constitution and for all other purposes, Ms. Caroline Moi Fah Hong be and is hereby removed as a director of the Company with effect from the close of this meeting.”

IMPORTANT NOTICE

All Resolutions have been proposed by Dingxi (Shanghai) Equity Investment Management Co. Ltd. (the **Requisitioning Shareholder**) holding at least 10% of the issued share capital of the Company pursuant to Hong Kong Companies Ordinance 566(2).

The Requisitioning Shareholder has set out their recommendations on the Resolutions in the Explanatory Statement attached to this Notice of Meeting.

Shareholders are urged to read the Explanatory Statement carefully prior to voting or submitting their Proxy Forms.

NOTES

Voting entitlements

The requisitioning shareholder have determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the EGM and CHESS Depository Interests (“CDI”) holding of CDI holders will be taken to be held by persons who are registered as members at 10:00am China Standard Time (12:00pm Australian Eastern Time) on Saturday, 7 July 2018.

Accordingly, transfers registered after that time will be disregarded in determining members entitled to attend and vote at the meeting.

Direct voting by holders of CDIs

Holders of CDIs are invited to attend and speak at the EGM but are not entitled to vote personally at the EGM. In order to have votes cast at the EGM on their behalf, CDI holders must complete, sign and return the enclosed CDI Voting Instructions Form to [Po Box 1156, Nedlands WA 6909, Australia], in person at [110 Stirling Hwy, Nedlands WA 6009, Australia], or by fax on [+618 9262 3723], in order to direct CHESS 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 10:00am China Standard Time (12:00pm Australian Eastern Time) on Saturday, 7 July 2018.

EXPLANATORY STATEMENT

This Explanatory Statement forms part of the Notice of General Meeting and should be read in its entirety. This Explanatory Statement is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice of General Meeting. It is recommended that shareholders read this Explanatory Statement before making any decision in relation to the Resolutions.

Hong Kong Companies Ordinance Requirements

[Section 566(2) Hong Kong Companies Ordinance provides that members with at least 10% of the votes that may be cast at a general meeting may call and arrange to hold a general meeting of the Company. The meeting must be called in the same way – so far as possible – in which general meetings of the company may be called.

This Meeting has been requisitioned in writing and states the general nature of the meeting and signed by the member calling the Meeting, representing at least 10% of issued capital of the company.

This statement provides (1) reasons for the appointment of the new Directors and the removal of the existing Directors, and (2) the new Directors plans for the Company. These two key issues are central to your decisions on the Resolutions.]

The Resolutions

Resolutions 1, 2 , 3 and 4 are for the appointment of new Directors in order to improve the performance of the Company and Resolutions 5, 6, 7 and 8 are for the removal for [ineffectual and dysfunctional] Directors. The incoming Directors have signed Consents to Act and they have been provided to the Company.

On the appointment of the new Directors they will form the Board of the Company.

IT IS RECOMMENDED THAT YOU VOTE IN FAVOUR OF ALL RESOLUTIONS

Proposed Board Restructure

The Meeting of Members has been called to consider the resolutions regarding:

- The removal of Mr Enjia Liu, Mr Kevin Chor Ban Yau, The Hon. Andrew John Stoner and Ms. Caroline Moi Fah Hong; and

- The appointment of Mr Jianqiao Zhang, Mr Jieli Chen, Mr Yue Li and Mr Youliang Wang.

Background

The Company was listed on the Australian Stock Exchange (“**ASX**”) on 4 April 2016.

Since its listing, under the leadership of the board of directors led by Chairman Enjia Liu, the company did not meet the corporate governance requirements of ASX, as a result, ASX wrote to the Company on 11 December 2017, raising a number of issues of corporate governance of concern to ASX. On the same day, ASX announced that the Company’s securities were suspended from quotation on the Exchange with immediate effect.

The suspension of the Company’s securities is continuing, despite several responses by the Company to the ASX. The Company informed ASX in February 2018 that it intended to implement several changes to its governance arrangements. Those changes have not yet been made.

On 1 May 2018, Mr Youliang Wang was removed as an executive director of the Company by request of the other directors under article 30(7) of the Articles of Association of the Company. On 4 May 2018, the Company's Board announced the appointment Mr Kevin Chor Ban Yau as an independent non-executive director of the Company.

Reasons for Support

The changes to the Board proposed for the EGM seek to change the composition of the Board with a view to enabling it to take decisive action on behalf of the Company to remedy:

The corporate governance arrangements of the Company of concern to ASX and implement the changes necessary to address those concerns and end the Company's suspension from the Exchange.

New Director Profiles

Mr Jianqiao Zhang

Jianqiao Zhang graduated from college in 1991. From 1991 to 2011, he acted as the Business Manager in investment corporations. From 2011 to 2013, he acted as the General Manager in Guangxi Nuwei Property Brokerage Co., Ltd. From 2014 till now, he acted as the Chairman in Sino-balance Business School and the Dean in Zhejiang Branch of Sino-balance Business School.

Mr Jieli Chen

Jieli Chen holds a bachelor degree in Computer Application and Modern Management in 2000. From 2008 to 2010, he acted as the Executive Assistant in Soochow Securities Co., Ltd. From 2010 to 2014, he acted as the Assistant to Chairman in Guowang Shinco Venture Capital Jiangsu Co., Ltd. From 2014 till now, he acted as the Supervisor and Assistant to Chairman in DingXi (Shanghai) Equity Investment Fund Management Co., Ltd.

Mr Youliang Wang.

From 1991 to 1997, Mr. Wang was a staff member of the Tonghua Branch of China Construction Bank. Thereafter, from 1997 to 2006, he was the Founder and General Manager of Tonghua Hongyuan Trading Co., Ltd.

From 2006 to 2008, Mr Wang served as the Chief Marketing Officer of Yunnan Nanyao Jiaoxiong Pharmaceutical Co., Ltd. From 2008 to 2010 he served as the Vice President of Guofa Venture Investment Co., Ltd.

From 2010 to 2018, Mr. Wang served as the Chief Executive Officer of China Dairy Corporation Limited. From 2010 till now, Mr. Wang is the General Manager of Heilongjiang Zhongxian Information Co., Ltd.

Mr. Wang graduated from Jilin University with a degree in Finance.

Mr Yue Li.

Mr. Yue Li holds a bachelor degree and from 2003 to 2006, he served as Project Manager at NO. 253 Building Materials Factory; from 2007 to 2012, he served as Vice President of Production in Changzhou Changhai Co., Ltd.; from 2012 to 2015, he served as Deputy General Manager in Shanghai Purking Energy Technology Co., Ltd.; from 2015 to the date, he served as Investment Director in Guanqun Chicheng Investment Management Co., Ltd.



CHINA DAIRY CORPORATION LIMITED

ARBN 607 996 449

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2018 EXTRAORDINARY GENERAL MEETING - CDI VOTING INSTRUCTION FORM

Direction to CHESS Depository Nominees Pty Ltd

I / We being a holder of CHESS Depository Interest (CDIs) of China Dairy Corporation Limited ARBN 607 996 449 (Company) hereby direct CHESS Depository Nominees Pty Limited (CDN) to vote the shares underlying my/our CDI holding at the General Meeting of the Company to be held at 10:00am China Standard Time (12:00pm Australia Eastern Time) on Monday, 9 July 2018, and at any adjournment or postponement of that Meeting, in accordance with the directions set out in the Voting Instructions section of this form.

By execution of this CDI Voting Instruction Form, the undersigned hereby authorises CDN to appoint such proxies or their substitutes in their discretion to vote in accordance with the directions below.

Voting Instructions

Voting Instructions will only be valid and accepted by CDN if they are signed and received no later than 10.00am China Standard Time (12.00pm Australian Eastern Time) on Saturday, 7 July 2018.

Please read the voting instructions overleaf before marking any boxes with an X.

Agenda Items

	For	Against	Abstain*
1. Election of Director – Mr Jianqiao Zhang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Director – Mr Jieli Chen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Director – Mr Youliang Wang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of Director – Yue Li	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Removal of A Director - Mr Enjia Liu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Removal of A Director - Mr Kevin Chor Ban Yau	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Removal of A Director – The Hon. Andrew John Stoner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Removal of A Director – Ms. Caroline Moi Fah Hong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you do not mark “For”, “Against” or “Abstain”, your vote will not be counted.

Authorised signature/s

This section must be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

This form should be signed by the shareholder. If a joint holding, all the shareholder should sign. If signed by the shareholder’s attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company’s constitution and the Corporations Act 2001 (Cth).

HOW TO COMPLETE THIS CDI VOTING INSTRUCTION FORM

Direction to CHESSE Depositary Nominees Pty Ltd

Each CHESSE Depositary Interest (CDI) is evidence of an indirect ownership in the Company's ordinary shares (Shares). The underlying Share is registered in the name of CHESSE Depositary Nominees Pty Ltd (CDN). As holders of CDIs are not the legal owners of Shares, CDN is entitled to vote at the Meetings of Members on the instruction of the registered holders of the CDIs.

Please note that each CDI carries the right to one vote.

Signing Instructions

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this CDI Voting Instruction Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

CDI Voting Instruction Forms (and the power of attorney or other authority, if any, under which the form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the CDI Voting Instruction Forms (and the power of attorney or other authority) must be deposited at or received by facsimile or email transmission at the share registry of the Company no later than 10.00am China Standard Time (12.00pm Australian Eastern Time) on Saturday, 7 July 2018.

LODGEMENT OF CDI VOTING INSTRUCTION FORM



ONLINE VOTE

To vote online, either scan the QR code at the front of the proxy or visit www.advancedshare.com.au
You will need your Voting SRN number beginning with the letter "I" to login.
Click on "Simple Login", enter your details, once registered, you will need to Click on "Vote Lodgement".



BY MAIL

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PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 9262 3723



BY EMAIL

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