CHINA DAIRY CORPORATION LIMITED

ASX Announcement

24 May 2016

Interim dividend of 0.57 cents (AUD) per CHESS Depository Interest ("CDI") and financial update for the 9 months ending 31 March 2016

China Dairy Corporation Limited (**"Company"** or **"CDC"**) is pleased to declare an unfranked interim dividend of 0.57 cents (AUD) per CDI and present a financial update for the 9 months ended 31 March 2016 as outlined below.

1. Interim Dividend

The CDC Board has approved an interim dividend for the Company's shareholders in line with the Company's dividend policy. An unfranked interim dividend of 0.57 cents (AUD) per CDI is to be paid and is calculated on the net profits after tax for the 9 months to 31 March 2016. Details of the interim dividend are outlined in the table below:

Interim Dividend Details	
Interim dividend for the 9 months ending 31 March 2016	**0.57 cents (AUD) per CDI**
Franking status	**Unfranked**
Record date	**31 May 2016**
Payment date	**11 July 2016**

2. Financial update for the 9 months ending 31 March 2016

China Modern Agricultural Information Inc. (**"CMCI"**) is listed on OTC Markets Group (**"OTC"**) in the US and through its wholly owned subsidiary, Hope Diary Holdings Ltd., is the majority shareholder in CDC.

On 23 May 2016, CMCI filed a Form 10-Q (Quarterly Report) for the period ended 31 March 2016 with the U.S. Securities and Exchange Commission and OTC.

CMCI's results have been adjusted to represent the financial position of CDC for the 9 months ended 31 March 2016. The financial information presented is unaudited, but is accompanied by a review report from Wei, Wei & Co., LLP, the Company's independent registered public accounting firm.

The financial information presented below has been prepared under US GAAP.

CHINA DAIRY CORPORATION LIMITED

a) Profit and Loss for the 9 months ending 31 March 2016 presented in $US

Unaudited Profit and Loss	9 months ending 31 March 2016
Revenues	
Milk sales	56,576,754
Sales commissions	15,051,808
Total revenues	**71,628,562**
Cost of goods sold	(39,112,813)
Gross profit	**32,515,749**
Operating expenses	
Selling and marketing	(1,517,054)
General and administrative	(2,121,318)
Total operating expenses	**(3,638,372)**
Operating income	**28,877,377**
Other income and expenses	
Interest income on notes receivable	486,312
Gain (loss) on disposal of non-current assets	(103,913)
Other non-operating income	123,266
Other income and expenses	**505,665**
Income before provision for income taxes	29,383,042
Provision for income taxes	(2,415,816)
Net income before non-controlling interests	**26,967,226**
Non-controlling interests	(168,760)
Net income attributable to common stockholders	**26,798,466**
Other comprehensive income	
Foreign currency translation adjustment	(6,556,665)
Total comprehensive income	**20,241,801**

CHINA DAIRY CORPORATION LIMITED

b) Balance Sheet as at 31 March 2016 presented in $US

Unaudited Balance Sheet	31 March 2016
Assets	
Current Assets	
Cash	35,245,096
Accounts receivable	23,340,687
Inventories	658,448
Prepayments	693,490
Interest receivable	394,291
Notes receivable	2,321,399
Total Current Assets	**62,653,411**
Non-Current Assets	
Property, plant and equipment	31,482,721
Notes receivable	5,574,030
Prepayments	49,245,281
Biological assets	58,123,531
Total Non-Current Assets	**144,425,563**
Total Assets	**207,078,974**
Liabilities	
Current Liabilities	
Accrued expenses and other payables	3,624,087
Related party loans	1,476,705
Total Current Liabilities	**5,100,792**
Non-Current Liabilities	
Deferred income taxes	42,109,604
Total Non-Current Liabilities	**42,109,604**
Total Liabilities	**47,210,396**
Net Assets	**159,868,578**
Equity	
Issued and paid-up capital	51,175,748
Reserves	420,406
Retained earnings	51,402,210
Non-controlling interests	58,653,998
Foreign currency translation adjustment	(1,783,785)
Total Equity	**159,868,578**

c) Review report from Wei, Wei & Co. LLP on 9 months ending 31 March 2016

WEI WEI & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of China Dairy Corporation Limited

We have reviewed the condensed consolidated balance sheet of China Dairy Corporation Limited. and subsidiaries (the "Company") as of March 31, 2016 and the related condensed consolidated statements of income for the three and nine month periods ended March 31, 2016. These condensed consolidated financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

Wei Wei & Co. LLP

Wei, Wei & Co., LLP
Flushing, New York
May 23, 2016

CHINA DAIRY CORPORATION LIMITED

For and on behalf of China Dairy Corporation Limited,

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Independent Director and Local Agent

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About China Dairy Corporation Limited

China Dairy Corporation Limited (ASX: CDC) is a company primarily engaged in the production and wholesale of raw milk and the rearing, breeding and sale of dairy cows in Heilongjiang province, China.

CDC generates revenue through two primary business models;

- the sale of raw milk from cows that are owned by the company; and
- milk sale commissions on the sale of raw milk from cows the company has sold to farmers.

As at 31 March 2016, CDC owned approximately 33,000 cows and partnered with farmers with an additional 16,000+ cows from which CDC makes a sales commission on the milk sold.