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Daqing Dairy Holdings Limited
大慶乳業控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1007)

**(1) COMPOSITION OF
INDEPENDENT REVIEW COMMITTEE
AND
(2) APPOINTMENT OF FINANCIAL ADVISER**

Reference is made to the Announcements of the Company dated 22 March 2012 and 29 March 2012.

The Board has, on 13 April 2012, appointed additional members to the Independent Review Committee. The Independent Review Committee currently comprises Ms. Chan Wah Man Carman, Mr. Cheung Hok Fung Alexander and Mr. Zhang Zhou (all of whom are independent non-executive Directors), and Mr. Liu Fu Mao, Mr. Jiang Jin Dou and Mr. Yang Huan Min (all of whom are independent third parties) for the purpose of, *inter alia*, (i) conducting an independent review of the issues raised by Deloitte in its resignation letter dated 21 March 2012; and (ii) reporting its findings and making recommendations to the Board.

The Board has, on 13 April 2012, also appointed Optima Capital Limited as the Company's financial adviser to assist the Company in handling the issues arising from the resignation of Deloitte and suspension of trading in the shares of the Company.

Reference is made to the announcements (the “**Announcements**”) of Daqing Dairy Holdings Limited (the “**Company**”) dated 22 March 2012 and 29 March 2012 in relation to (i) resignation of auditors; (ii) delay in publication of annual results and despatch of annual report of the Company for the year ended 31 December 2011; and (iii) suspension of trading.

COMPOSITION OF INDEPENDENT REVIEW COMMITTEE

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has, on 13 April 2012, appointed additional members to the Independent Review Committee. The Independent Review Committee currently comprises Ms. Chan Wah Man Carman, Mr. Cheung Hok Fung Alexander and Mr. Zhang Zhou (all of whom are independent non-executive Directors), and Mr. Liu Fu Mao, Mr. Jiang Jin Dou and Mr. Yang Huan Min (all of whom are independent third parties) for the purpose of, *inter alia*, (i) conducting an independent review of the issues raised by Deloitte Touche Tohmatsu (“**Deloitte**”) in its resignation letter dated 21 March 2012; and (ii) reporting its findings and making recommendations to the Board.

Mr. Liu Fu Mao (劉阜茂), aged 65, was the vice mayor of Daqing city between December 1992 and October 2002 and deputy director of Daqing City People’s Congress Standing Committee between January 2003 and December 2007.

Mr. Jiang Jin Dou (姜金斗), aged 51, has over fifteen years of experience in dairy products quality, safety and testing. He has held various positions at the National Dairy Product Quality, Supervision and Inspection Centre* (國家乳製品品質監督檢驗中心), Dairy Research Institute of National Dairy Engineering Research Centre* (國家乳業工程技術研究中心乳品研究院) and Ministry of Agriculture Dairy Quality Monitoring Testing Centre* (農業部乳品質量監督檢驗測試中心).

Mr. Yang Huan Min (楊煥民), aged 55, is currently a Professor and the Dean of College of Animal Science and Veterinary Medicine at Heilongjiang Bayi Agricultural University* (黑龍江八一農墾大學動物科技學院). He has been involved in the research of physiological and biochemical mechanisms for animal cold stress in the past twenty years. He has published numerous influential research articles and conference papers and in 2010, he was awarded the honorary title of provincial exemplary teacher.

The Independent Review Committee is authorised to appoint independent legal or other professional advisers to assist in the review.

APPOINTMENT OF FINANCIAL ADVISER

The Board has, on 13 April 2012, also appointed Optima Capital Limited (“**Optima**”) as the Company’s financial adviser to assist the Company in handling the issues arising from the resignation of Deloitte and suspension of trading in the shares of the Company. Optima will also assist the Company to implement a plan for the resumption of trading in the shares of the Company.

Optima is a corporation licensed by the Securities and Futures Commission of Hong Kong for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited was suspended with effect from 9:00 a.m. on 22 March 2012 and will remain suspended until further notice.

By Order of the Board
Daqing Dairy Holdings Limited
Zhao Yu
Chairman

Hong Kong, 13 April 2012

As at the date of this announcement, the executive Directors are Mr. Zhao Yu, Mr. Zhao Chuan Wen, Mr. Xia Yuan Jun, Mr. Fu Chong, Mr. Fong Pin Jan, Mr. Wang De Lin, and the independent non-executive Directors are Mr. Cheung Hok Fung Alexander, Ms. Chan Wah Man Carman and Mr. Zhang Zhou.

** For identification purposes only*