



China Cattle Limited
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Australia

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www.chinacattle.com.au
ABN 21 008 728 425

31 August 2009

Company Announcements Office
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Appendix 4D - Half Year report
Six Months Ending on 30 June 2009

Please find attached the Appendix 4D for the six months ending 30 June 2009.

The Appendix 4D is comprised of the:

- Results for announcement to the market
- Additional applicable information, and
- The consolidated financial report of China Cattle Limited for the half year ended 30 June 2009, which was subject to audit review.

Yours faithfully

Hong Fei Chen
Chairman

Appendix 4D

Half Year report Six Months Ending on 30 June 2009

China Cattle Limited

ACN: 008 728 425

Results for announcement to the market

Revenue from ordinary activities	Down	21%	to	\$A 679,821
Loss from ordinary activities after tax attributable to members	Down	69%	to	267,876
Loss for the period attributable to members	Down	69%	to	267,876
Amount per security and franked amount per security of final and interim dividends				Nil
Record date for determining entitlements to dividends				Not applicable

Brief explanation of any of the above figures necessary to enable the figures to be understood:

During the current half year, the number of cattle sold reduced significantly in compare with the same period last year, due to the changes in management and the restructures in the operation. The majority of the revenue from ordinary activities is the agistment charges arising on the leased farm.

Even though there is a decrease in revenue from ordinary activities, however, the loss from ordinary activities after tax has also reduced significantly by \$586,117. This is the result of reduction of costs. Employment and consultants costs decreased by \$328,733 or 55% due to the resignation of some employees who have not been replaced. The cattle cost has reduced by \$356,499 or 74%. This is the result of the reduction of cattle sales. The finance costs has also restrained down \$84,768 or 91%, due to the reduction of loans with the bank.

Appendix 4D

Half Year report
Six Months Ending on 30 June 2009

China Cattle Limited

ACN: 008 728 425

Additional Information:

	30 June 2009 \$A	30 June 2008 \$A
<u>Net tangible assets per ordinary share</u>	0.17 cents	0.87 cents

Details of entities over which control has been gained or lost during the period Not applicable

Name of entity

Control gained/lost

Date of gain/loss of control

Where material,

- contribution of entity to the reporting entity's profit from ordinary activities during the period \$0
- profit/(loss) of entity during the whole of the previous corresponding period \$0

<u>Dividends and Distributions</u>	Not applicable
Date on which each dividend or distribution is payable	
Amount per security of foreign sourced dividend or distribution	
<u>Details of dividend or distribution reinvestment plans</u>	Not applicable

Appendix 4D

Half Year report
Six Months Ending on 30 June 2009

China Cattle Limited

ACN: 008 728 425

Material interests in entities which are not controlled entities

<i>Name of entity</i>	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss)	
	Current period	Previous corresponding period	Current period \$A	Previous corresponding period - \$A
Equity accounted associates and joint venture entities	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0
Other material interests	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0



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CHINA CATTLE LIMITED

ACN: 008 728 425

AND CONTROLLED ENTITIES

**Financial Report
For the
Half Year Ended
30 June 2009**

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CHINA CATTLE LIMITED
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AND CONTROLLED ENTITIES

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CHINA CATTLE LIMITED
ACN: 008 728 425
AND CONTROLLED ENTITIES

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of China Cattle Limited and the entities it controlled at the end of, or during the half-year ended 30 June 2009.

Directors

The following persons were directors of China Cattle Limited during or since the end of the half-year:

Hong Fei Chen

Fu Hua Wu

Shaojun Jia (appointed 19 March 2009)

Dr Keruo Ren (appointed 22 April 2009)

David Hickie (resigned 22 April 2009)

Review of Operations

The loss of the consolidated entity for the half-year ended 30 June 2009, after income tax amounted to \$267,876 (2008: \$853,933).

In the six month period the consolidated entity's results were negatively impacted by movements in the sales price of cattle, particularly of crossbred calves that were purchased in 2008. As a result, this price movement, and the feed costs for those calves, the consolidated entity's profit and loss was negatively impacted by approximately \$200,000. For the six month period ending 30 June 2009, the majority of revenue earned was not from the trade of cattle, but from agistment charges arising on its leased farms. The consolidated entity will divest its cattle operation and restructure the operations of the consolidated entity.

As previously reported, China Cattle Ltd and Heze Ju Xin Yuan Food Co. Ltd ("JXY") signed a heads of agreement for the consolidated entity to acquire JXY in December 2008. On 24 July 2009, the consolidated group has entered into a conditional merger agreement with Lucky Forest Holding Limited, the parent entity of JXY. JXY is a producer of and supplier of canned asparagus, fruit, vegetables and condensed juices. The merger agreement is conditional, amongst other things, on all necessary regulatory consents and approval by the shareholders of the consolidated entity. JXY audited profit for the year ending 31st December 2008 was AUD8.6 million. JXY unaudited profit for the six months ended 30th June 2009 was approximately AUD8.17million. The Company is very excited at entering into the merger agreement. The proposed merger brings the potential for existing shareholders of the Company to realize value and liquidity for their investment in the Company.

The Company intends to seek reinstatement of quotation of its shares on the ASX following completion of preposed merger.

Auditor's Independence Declaration

The lead auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 30 June 2008.

This report is signed in accordance with a resolution of the Board of Directors.



Hong Fei Chen

Director

Dated in Melbourne, Australia on this 25th day of August 2009



25th August 2009

The Board of Directors
China Cattle Limited
Level 2, 340 Collins Street
MELBOURNE VIC 3000

Dear Board Members

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF
CHINA CATTLE LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of China Cattle Limited.

As lead audit partner for the review of the financial report of China Cattle Limited for the half-year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporation Act 2001 in relation to this review; or
- (ii) any applicable code of professional conduct in relation to this review.

Yours sincerely

A handwritten signature in black ink, appearing to read "H. D. Paton".

Hugh D. Paton
Director
Webb Audit Pty Ltd

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CHINA CATTLE LIMITED
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AND CONTROLLED ENTITIES

CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2009

	Note	Six months to 30 June 2009 \$	Six months to 30 June 2008 \$
Revenue	2	679,821	859,284
Expenses	2		
Administration		(73,785)	(97,298)
Cattle costs		(126,497)	(482,996)
Corporate		(282,249)	(277,085)
Employment and consultants fees		(267,421)	(596,154)
Occupancy		(189,427)	(166,658)
Finance costs		(8,318)	(93,086)
Loss before income tax expense		(267,876)	(853,993)
Income tax expense		-	-
Net Loss after income tax expense		(267,876)	(853,993)
Net Loss attributable to outside equity interests		-	-
Net Loss attributable to members of the parent entity		(267,876)	(853,993)
 Basic earnings/(loss) per share-cents per share	7	(0.44) cents	(1.48) cents
 Diluted earnings/(loss) per share-cents per share	7	(0.44) cents	(1.29) cents

The above consolidated income statement should be read in conjunction with the accompanying notes.

CHINA CATTLE LIMITED
ACN: 008 728 425
AND CONTROLLED ENTITIES

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2009

	Note	June 2009 \$	December 2008 \$
CURRENT ASSETS			
Cash		25,391	36,754
Receivables		117,100	65,234
Inventories		77,783	79,545
Other assets		43,327	-
TOTAL CURRENT ASSETS		<u>263,601</u>	<u>181,533</u>
NON-CURRENT ASSETS			
Other financial assets		14,893	65,841
Property, plant & equipment		180,890	221,159
TOTAL NON-CURRENT ASSETS		<u>195,783</u>	<u>287,000</u>
TOTAL ASSETS		<u>459,384</u>	<u>468,533</u>
CURRENT LIABILITIES			
Payables		166,882	240,862
Borrowings		46,527	50,470
TOTAL CURRENT LIABILITIES		<u>213,409</u>	<u>291,332</u>
NON-CURRENT LIABILITIES			
Borrowings		110,386	123,714
TOTAL NON-CURRENT LIABILITIES		<u>110,386</u>	<u>123,714</u>
TOTAL LIABILITIES		<u>323,795</u>	<u>415,046</u>
NET ASSETS		<u>135,589</u>	<u>53,487</u>
EQUITY			
Issued capital	5	10,822,613	10,472,635
Accumulated Losses		<u>(10,687,024)</u>	<u>(10,419,148)</u>
TOTAL EQUITY		<u>135,589</u>	<u>53,487</u>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CHINA CATTLE LIMITED
ACN: 008 728 425
AND CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2009

<u>Economic Entity</u>	<u>Share Capital</u>		<u>Accumulated</u> <u>Losses</u>	<u>Total</u> <u>\$</u>
	<u>Ordinary</u> <u>Share</u> <u>Capital</u> <u>\$</u>	<u>Contributing</u> <u>Shares</u> <u>\$</u>		
Balance at 31 December 2007	10,372,635	100,000	(8,939,012)	1,553,623
Loss attributable to members of parent entity	-	-	(853,993)	(853,993)
Balance at 30 June 2008	<u>10,372,635</u>	<u>100,000</u>	<u>(9,793,005)</u>	<u>679,630</u>
 Balance at 31 December 2008	10,372,635	100,000	(10,419,148)	53,487
Proceeds from sales of Trustee shares during the year	349,978	-	-	349,978
Loss attributable to members of parent entity	-	-	(267,876)	(267,876)
Balance at 30 June 2009	<u>10,722,613</u>	<u>100,000</u>	<u>(10,687,024)</u>	<u>214,389</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CHINA CATTLE LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2009

	Six months to 30 June 2009 \$	Six months to 30 June 2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	695,080	682,602
Payments to suppliers and employees	(1,031,611)	(1,641,940)
Interest received	779	19,515
Interest paid	(8,318)	(93,086)
Net cash provided by/ (used in) operating activities	<u>(344,070)</u>	<u>(1,032,909)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	-	(87,331)
Investments	-	(250,000)
Proceeds from sale of investments	-	395,924
Net cash provided by / (used in) investing activities	<u>-</u>	<u>58,593</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from sale of ordinary shares	349,978	-
Repayment of borrowings	(17,271)	(349,126)
Proceeds from borrowings	-	327,040
Net cash provided by / (used in) financing activities	<u>332,707</u>	<u>(22,086)</u>
Net increase/(decrease) in cash held	<u>(11,363)</u>	<u>(996,402)</u>
Cash at beginning of the period	<u>36,754</u>	<u>1,262,028</u>
Cash at end of the period	<u>25,391</u>	<u>265,626</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CHINA CATTLE LIMITED
ACN: 008 728 425
AND CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

These general purpose financial statements for the half-year reporting period ended 30 June 2009 has been prepared in accordance with requirements of the Corporations Act 2001, Australian Accounting Standard including AASB 134 Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of China Cattle Ltd and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2008, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

b) Going Concern Basis

The consolidated entity incurred a loss of \$267,876, net deficiency of cash flows of \$11,363 and had a net asset balance of \$135,589 for the half-year ended 30 June 2009, including a cash balance of \$25,391. As a result of these matters, there is significant uncertainty whether the Company will continue as a going concern and therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. This financial report has been prepared on a going concern basis on the assumption that the company is dependent on the successful sourcing of additional funds. Subsequent to balance date the Company has made plans for the completion of a further equity capital raising. For these reasons, the Directors believe that the assumption of a going concern basis in the preparation of this financial report is appropriate. The financial report does not include any adjustments relation to the recoverability or classification of recorded assets, or to the amounts of classification or liabilities that might be necessary should the Company not be able to continue as a going concern.

CHINA CATTLE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2009

2. PROFIT/(LOSS) AFTER INCOME TAX

The loss after income tax expense includes the following items of revenue and expense which, together with other disclosures in this report, are relevant in explaining the financial performance for the half-year:

	Six months to 30 June 2009 \$	Six months to 30 June 2008 \$
Revenues		
Sales	159,664	613,007
Agistment Income	417,419	220,188
Interest Revenue	779	26,089
Other Income	101,959	-
	<u>679,821</u>	<u>859,284</u>
Expenses		
Depreciation Expense	40,269	40,865
Interest Costs	8,291	93,086

3. DIVIDENDS

There were no dividends declared for the half-year ended 30 June 2009.

4. EVENTS OCCURRING AFTER REPORTING DATE

The company has entered into a conditional merger agreement with Lucky Forest Holdings Limited, the parent of entity of Heze Ju Xin Yuan Food Co. Ltd ("JXY") on 24 July 2009. JXY is a producer and supplier of canned asparagus, fruit, vegetables and condensed juices. The merger agreement is conditional, amongst other things, on all necessary regulatory consents, and approval by the shareholders of the company.

CHINA CATTLE LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2009

5. ISSUED CAPITAL

Movement in Issued Capital

	Six months to 30 June 2009	Six months to 30 June 2008
	\$	\$
Balance at beginning of period	10,372,635	10,372,635
Receipts from sale of Trustee Stock	349,978	-
Balance at end of period	10,722,613	10,372,635
Contributing shares		
Balance at beginning of period	100,000	100,000
Movement during the period	-	-
Balance at end of period	100,000	100,000
Total Issued Capital	10,822,613	10,472,635
	Six months to 30 June 2009	Six months to 30 June 2008
	Number of shares	Number of shares
Ordinary shares Fully Paid		
Balance at beginning of period	60,759,496	57,592,828
Balance at end of period	60,759,496	57,592,828
Ordinary shares Issued Pursuant to the Trustee Stock Scheme		
Balance at beginning of period	17,279,048	20,445,716
Balance at end of period	17,279,048	20,445,716
Total Ordinary Shares	78,038,544	78,038,544

6. CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2009.

7. EARNINGS PER SHARE

The Weighted Average number of ordinary fully paid shares used in calculating basic and diluted earnings per share is:

	30 June 2009	30 June 2008
Basic earnings per share	60,759,496	57,592,828
Diluted earnings per share	60,759,496	66,426,162

8. SEGMENT INFORMATION

The entity's operations relate to seeking business opportunities for investment in the agricultural sector of Australia.

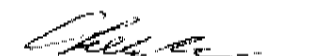
CHINA CATTLE LIMITED
ACN: 008 728 425
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**DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 30 JUNE 2009**

The Directors of the company declare that:

1. The financial statements and notes set out in pages 4-10 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB134: Interim Financial Reporting; and
 - (b) giving a true and fair view of the group's financial position as at 30 June 2009 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Hong Fei Chen
Director

Dated in Melbourne, Australia on this 25th day of August 2009



**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
CHINA CATTLE LIMITED
ACN 008 728 425**

Report on the Interim Financial Report

We have reviewed the accompanying half-year financial report of China Cattle Limited and its controlled entities, which comprises the balance sheet as at 30 June 2009, income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, the accounting policies, other selected explanatory notes and the directors' declaration.

Director's Responsibility for the Interim Financial Report

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements *ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us to believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and its performance for the half-year ended on that date and complying with Accounting Standard *AASB134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of China Cattle Limited and controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
CHINA CATTLE LIMITED**

ACN 008 728 425

(Continued)

Independence

In conducting our review, we have complied with applicable independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act*, provided to the directors of China Cattle Limited and controlled entities on 25th August 2009, would be in the same terms if provided to the directors as at the date of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of China Cattle Limited and controlled entities is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB134: Interim Financial Reporting and the Corporations Regulations 2001.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 1 (b) to the financial statements on page 8, there is significant uncertainty whether the consolidated group will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Hugh D. Paton
Director
Webb Audit Pty Ltd

Dated in Melbourne, Australia on this 25th day of August 2009