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FOR IMMEDIATE RELEASE

Chai-Na-Ta Corp. Announces Share Conversion by Major Investor

RICHMOND, BRITISH COLUMBIA – September 1, 2006 – Chai-Na-Ta Corp. (OTCBB: "CCCFF"), announced that its major investor, Herb King International Limited, today converted 10,399,149 non-voting Series 1 Preferred Shares of Chai-Na-Ta ("Preferred Shares") into an equivalent number of common shares, thereby raising its holdings of Chai-Na-Ta's common shares to 84% from 78%.

Herb King, a wholly owned subsidiary of Road King Infrastructure Limited of Hong Kong, initially held 20,399,149 Preferred Shares acquired from John Hancock Life Insurance Company in April 2000. Herb King previously converted 10,000,000 Preferred Shares into common shares on a one-for-one basis in accordance with their terms. After giving effect to today's conversion, no Preferred Shares remain outstanding.

Chai-Na-Ta Corp., based in Richmond, British Columbia, is the world's largest supplier of North American ginseng. The Company farms, processes and distributes North American ginseng as bulk root, and supplies processed material for the manufacturing of value-added ginseng-based products.

This news release contains forward-looking statements that reflect the Company's expectations regarding future events. These forward-looking statements involve risks and uncertainties, and actual events could differ materially from those projected. Such risks and uncertainties include, but are not limited to, the success of the Company's ongoing research programs, general business conditions, and other risks as outlined in the Company's periodic filings, Annual Report, and Form 20-F.

FOR FURTHER INFORMATION PLEASE CONTACT:

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