



**CHAI·NA·TA**  
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## **FOR IMMEDIATE RELEASE**

### **Chai-Na-Ta Receives Unsecured Term Loan Facility from Major Investor**

RICHMOND, BRITISH COLUMBIA – August 21, 2006 – Chai-Na-Ta Corp. (the "Company") (OTCBB: "CCCFF"), announced that the Board of Directors of the Company has approved a non-revolving term loan facility ("Loan") of HK\$ 54.7 million (approximately \$8.0 million) offered by More Growth Finance Limited ("More Growth"), a subsidiary of the Company's major investor, Road King Infrastructure Limited.

The unsecured Loan bears interest at 1.7% per annum over the HIBOR (Hong Kong Interbank Offered Rate) and is provided to the Company for a term of 48 months. The Loan will be used to enhance the Company's ability to meet working capital requirements during the upcoming harvest and to repay the existing HK\$23.2 million (approximately \$3.5 million) loans to More Growth that are repayable within the next year.

On March 29, 2006, the Company proposed to cancel the existing HK\$23.2 million loans owed to More Growth in exchange for preferred shares. This proposal was approved by disinterested shareholders at the Company's Annual General Meeting on May 5, 2006. The Company will not be proceeding with this "shares for debt" transaction in view of the Loan and the alternative repayment arrangement it has made with More Growth.

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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