



**CHAI·NA·TA**  
C O R P.

Unit 100 – 11300 No. 5 Road  
Richmond, BC V7A 5J7  
Canada

Toll Free in Canada & USA:  
1-800-406-ROOT (7668)

Telephone: (604) 272-4118  
Facsimile: (604) 272-4113

TSX: "CC" • OTCBB: "CCCFF"

Web: [www.chainata.com](http://www.chainata.com)

## **FOR IMMEDIATE RELEASE**

### **Chai-Na-Ta Corp. Reports 2005 Second Quarter Results**

RICHMOND, BRITISH COLUMBIA – August 9, 2005 – Chai-Na-Ta Corp. (TSX: "CC"; OTCBB: "CCCFF"), the world's largest producer of North American ginseng, today announced a second quarter 2005 net loss of \$1.3 million, or \$0.05 per basic share, compared to a net loss of \$18,000, or \$0.00 per basic share, in the quarter ended June 30, 2004.

Revenue decreased to \$278,000 in the second quarter of 2005 from \$1.4 million in the same period last year.

"While ginseng root prices remain volatile, Chai-Na-Ta realized an average selling price of \$13 per pound in the first six months of 2005, a decrease of 48% over the average price for the same period last year," said William Zen, Chairman and Chief Executive Officer. "Ginseng buyers remain cautious to buy root, we have committed sales with moderate price reductions in order to stimulate higher sales in the final six months of 2005."

The Company took a \$1.1 million write-down on inventory in the 2005 second quarter to reduce the carrying value to its estimated net realizable value.

Selling, general and administrative expenses improved to \$0.4 million in the 2005 second quarter, compared to \$0.5 million in the quarter ended June 30, 2004.

In the six months ended June 30, 2005, revenue declined to \$0.4 million from \$3.7 million in the first half of 2004. Net loss in the first half of 2005 was \$1.7 million, or \$0.07 per basic share, compared to net earnings of \$0.5 million, or \$0.02 per basic share in the first half of 2004.

The cash used in operations was \$1.3 million for the six months ended June 30, 2005 compared to a cash surplus from operations of \$0.7 million in the same period of 2004.

“The decline in cash from operations was due primarily to lower revenue in the first half of this year compared to the same period a year ago. However, with our good banking relationship and the solid financial support of our principal shareholder, we believe that our ability to generate sufficient amounts of cash, both for the short term and the long term, remains essentially the same as it was on December 31, 2004,” said Mr. Zen.

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.

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**FOR FURTHER INFORMATION PLEASE CONTACT:**

**Chai-Na-Ta Corp.**  
**Wilman Wong**  
**Chief Financial Officer/Corporate Secretary**  
**(604) 272-4118 or (Toll Free) 1-800-406-7668**  
**(604) 272-4113 (FAX)**  
**E-mail: [info@chainata.com](mailto:info@chainata.com)**  
**Website: [www.chainata.com](http://www.chainata.com)**