



China Health Resource, Inc. Signs Letter of Intent with Five Villages for Increased Angelica Purchasing Capacity

China Health Resource, Inc. selected five reputable villages to increase their purchase capacity from previous year's levels

Sichuan, PRC – Mar. 8, 2011 – China Health Resource, Inc. (OTCBB: CHRI), a leading Chinese pharmaceutical company specializing in producing, processing and commercializing Dahurian Angelica Root (DAR), today formally announced that the company has signed a nonbinding letter of intent with the Angelica affiliate association of five villages for increased Angelica purchasing. As each of the five villages own their own farm production of DAR, they are widely known for producing high-quality DAR.

Recognized for its high-quality Angelica in the native market of Sichuan, CHRI has signed a Letter of Intent with five villages to ensure the company's Angelica production remains superior in the Chinese medicine field. Known for their high-quality Angelica production, the five villages include Chuanlingshi Village, Zhongji Village of Yongxing Town, Shunhe Village of Xinqiao Town in Chuanshan District, Guojunba Village of Jinqiao Township in Pengxi County, and Fujiang Village of Huima Town in Daying County.

"Producing high-quality raw material in the Chinese medicine field is crucial," stated Jiayin Wang, CEO, CHRI. "With the global climate and regional growing environment deteriorating, fierce market competition has intensified amongst many pharmaceutical factories. CHRI has established a solid reputation to meet demand for the highest-quality Angelica, and we will continue to explore new means to ensure we maintain this distinguished reputation."

With this Letter of Intent, the quantity for CHRI will be increased to 4,000 tons, making up 80% of the entire amount purchased in 2010, and it is estimated the sales, as a whole, will reach 72 million yuan (approximately US\$10.9 million). In addition, with the Letter of Intent signed with both Sichuan Zhiyuan Aquarius Pharmacy Co., Ltd and Chengdu Longevity Church Business Co., Ltd, the Company estimates that it will purchase Angelica in amounts that far exceed the levels established in previous years.

Further details are currently being negotiated between the two companies.

Additional information about China Health Resource, Inc. and the five villages can be found by visiting <http://ChinaHealthResource.com>.

About CHRI

China Health Resource, Inc. engages in the development, manufacturing, processing, marketing and sale of Dahurian Angelica Root (DAR) and related products in the People's Republic of China. DAR, which is also known as "Bai Zhi" in Mandarin Chinese, is an herb that is employed as an ingredient in medicine, cosmetics and food, as well as used in TCM for the treatment of pain, swelling and pustule. The company's DAR-related products include the Bailing Capsule, Yisheng Capsule, Kimchee-Mate and Fragrant Bag, all of which are sold through regional distributors. The company was founded in 2001 and is based in Suining.

Certain statements found other than historical facts in this document regarding financial matters other than historical facts, and statements of our expectations, intentions, plans and beliefs, constitute "forward-looking statements" within the meaning of section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to certain events, risks and uncertainties that may be outside our control. The words "believe", "expect", "anticipate", "optimistic", "intend", "will", and similar expressions identify forward-looking statements. The company intends that such proclamations about future expectations, including future revenues and earnings, future business expansion plans, and all other forward-looking statements be subject to the safe harbors created thereby. Management retains broad discretion with regard to all future business operations of the Company. Since these statements involve risks and uncertainties and are subject to change at any time, the company's actual results may differ materially from expected results. These and other risks and uncertainties related to our business are described in greater detail in our filings with the Commission. The foregoing information should be read in conjunction with these filings. We disclaim any intention or obligation to update or revise any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made.

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