



## **China Health Resource, Inc. Secures Exclusive Wholesale Agreement for Acquisition of Gastrodia**

*CHRI signs an exclusive wholesale contract with Pingwu County Sichuan Tailing Biotech Ltd. for its entire harvest of Gastrodia for 2011*

**Sichuan, PRC – May 11, 2011** – China Health Resource, Inc. (OTCBB: CHRI), today announced that the company has entered into an exclusive agreement with a leading producer of Gastrodia in Pingwu, Sichuan. This agreement will give CHRI leverage in the Traditional Chinese Medicine (TCM) marketplace in China, as the main controlling distributor and supplier of Gastrodia (also known as Tianma), a traditional Chinese herb used to treat hypertension, improve circulation and resolve headaches.

Widely recognized for producing high-quality Angelica, CHRI is expanding its TCM offerings with a highly regarded and marketable TCM herb, commonly known as Tianma in China. Pure Gastrodia in Pingwu County of the Sichuan Province contains a high content of active ingredients, with low heavy metal content. Free of pollution and boasting high quality, the demand in the market for pure Gastrodia surpasses the supply in Pingwu County.

“Although Pingwu County is well-known for Gastrodia, the company is a rather small operation,” stated Jiayin Wang, CEO, China Health Resource, Inc. “As our company is widely known for producing high-quality Angelica, securing this contract makes for a solid combination between a large enterprise and a high-quality product. With the high value of Gastrodia, we hope to broaden our product line, resulting in increased profits.”

Gastrodia currently retails for about 250~1,000 yuan/kg (US\$38~150/kg) and is considered one of China’s highest priced TCM drugs available in the market. This exclusive arrangement for the supply of Gastrodia is expected to generate an estimated 120 million yuan (US\$18 million) of revenue each year for CHRI.

Additional information about China Health Resource, Inc. and the Chinese herbal medicine, Gastrodia, 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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