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For Immediate Release

China-Biotics, Inc. Retains CCG Elite

Los Angeles, CA & Shanghai, China – July 3, 2007 – China-Biotics Inc. (OTCBB: CHBT), a leading Chinese biotechnology firm specializing in the manufacture, research, development, marketing and distribution of probiotics dietary supplements, today announced it has retained CCG Elite to design and execute its investor relations campaign.

"Market demand for probiotics in China is increasing at a rapid pace as higher standards of living encourage consumers to become more health conscious," said Crocker Coulson, President of CCG Elite. "China-Biotics' historically high profit margins and revenue growth in the commercial and retail probiotics markets position the company as an attractive investment vehicle."

Since its founding in Shanghai in 1999, China-Biotics has leveraged its proprietary technology to develop industry-leading dietary supplements, becoming one of the largest suppliers of probiotics in China. The Company's leading product, "Shining Essence," was launched in April 2001 on approval by the Chinese Ministry of Health. It was named the best-selling liver health product the same year by the Health Food Association of China.

"As the only Chinese producer of probiotics in capsule form, China-Biotics is capitalizing on our first-mover advantage in this market, demonstrated by strong recognition for our Shining brand in the retail market and significant potential in the bulk additives market," said Mr. Jinan Song, the Company's Chief Executive Officer and Chairman. "By emphasizing our price and shelf-life advantages, we continue to fulfill our growth strategy in this developing industry."

China-Biotics sells its major products, including Shining Essence, Shining Signal, Shining Golden Shield and Shining Energy, to large distributors and through its own distribution network to supermarkets and chain drugstores. In March 2006, the Company

opened its first branded Shining store in Shanghai and began to launch new products within the company-owned stores. China-Biotics plans to open 300 branded stores in the next two year.

In the fiscal year ended March 31, 2007, China-Biotics generated sales of \$30.6 million, an increase of 40.0%, and net income of \$10.9 million, up 30.5% from the prior year.

About CCG Elite

CCG Elite is uniquely positioned to provide an outsourced, high-level investor relations solution that combines in-depth understanding of Asia's corporate culture and economic scene and a direct pipeline into the leading funds and broker-dealers in the U.S. CCG Elite is a global, full-service investor relations agency with corporate headquarters in Los Angeles and offices in New York City, Newport Beach, Calif., Dallas, Texas, Hong Kong and Beijing. For further information, contact CCG Elite directly, or visit the Company's Web site at www.ccgelite.com.

About China-Biotics, Inc.

China-Biotics, Inc. (“China-Biotics”, “the Company”), a leading manufacturer of biotechnology products and supplements, engages in research, development, marketing and distribution of probiotics dietary supplements. Through its wholly owned subsidiary, Shanghai Shining Biotechnology Co., Ltd., the Company has operations in Shanghai. Its proprietary product portfolio contains live microbial nutritional supplements under the “Shining” brand. Currently, the products are sold OTC through large distributors to pharmacies and supermarkets in Shanghai, Jiangsu, and Zhejiang. China-Biotics plans to launch 300 Shining brand stores in major cities in China during the next two years. The Company’s flagship product, “Shining Essence,” was approved by the Chinese Ministry of Health for production and to market as a health product in August 2000, and has been a profit driver since its launch in Shanghai in April 2001. Currently, China-Biotics is strategically expanding its production capacity of probiotics to meet growing demand in the bulk additive market.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such factors include, but are not limited to, the Company’s ability to market existing and new products, ability to access to capital for expansion, and changes from anticipated levels of sales, future national or regional economic and competitive conditions, changes in relationships with customers, dependence on its flagship product profits and other factors detailed from time to time in the Company's filings with the United States Securities and Exchange Commission and other regulatory authorities. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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