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China Bio Cassava Holdings Limited

中國生物資源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8129)

UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENTS

This announcement is made at the request of the The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board of directors (the “**Board**”) of China Bio Cassava Holdings Limited (the “**Company**”) has noted the increases in the price and trading volume of the shares of the Company today and wishes to state the Board is not aware of any reasons for such increases.

The Board further announces that on 16 September 2010, The Company entered into a non-binding letter of intent (“**Letter of Intent**”) with Mr. Li Gaohua (the “**Vendor**”) as proposed vendor and Chengdu Chenming Electric Vehicles Manufacturing Co., Ltd. (成都晨明電動車輛製造有限公司) (the “**Chengdu Chenming**”) in relation to the possible acquisition of the entire share capital of Asia World Capital Investment Holdings Limited (the “**Target**”). It is expected that the Target, through its wholly owned subsidiary, will enter into a sino-equity joint venture with Chengdu Chenming for production and manufacturing of electric vehicles in the People’s Republic of China. The proposed consideration for the possible acquisition is approximately HK\$40,000,000, subject to further negotiation between the parties and may consist of a combination of cash and/or new shares of the Company as the parties may agree. The Letter of Intent will be valid for a period of 4 months commencing from 16 September 2010.

The Vendor, the Target and its wholly owned subsidiary and Chengdu Chenming are not the connected persons of the Company as defined under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “**GEM Listing Rules**”).

The possible acquisition will be conditional upon, among other things, satisfactory results of the due diligence review on the Target and its wholly owned subsidiary to be conducted by the Company and the negotiation and execution of the formal sale and purchase agreement between the parties. The terms set out in the Letter of Intent are not binding or definitive and are subject to further negotiations between the parties and further announcement in respect of the possible acquisition will be made by the Company in the event any legally binding agreement has been signed.

Save as disclosed in this announcement, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 and 20 of the GEM Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of price-sensitive in nature.

Made by the order of the Board, the directors of which collectively and individually accept responsibility for the accuracy of this announcement.

By order of the Board
China Bio Cassava Holdings Limited
LEUNG LAP YAN
Chairman

Hong Kong, 21 September 2010

As of the date hereof, the executive directors are Mr. Kwan Kin Chung, Mr. Tam Kam Biu William, Mr. Wan Xiaolin and Mr. Chen Man Lung, the non-executive directors are Mr. Leung Lap Yan and Mr. Leung Lap Fu Warren, the independent non-executive directors are Mr. Ip Chi Wai, Mr. Tse Wang Cheung Angus and Mr. Shiu Kwok Keung.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “latest company announcement” page for at least 7 days from the day of its posting and on the Company’s website at <http://www.bio-cassava.com>.