

China Sky One Medical Signs Strategic Agreement with Takasima Industries

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HARBIN, China -- China Sky One Medical, Inc. (OTCBB:CSKI), one of the leading producers and distributors for external-use Chinese medicines in China, has announced that a strategic agreement was reached early this year between China Sky One Medical, Inc. and Takasima Industries. As a result of this agreement, Takasima has been engaged as the sole agent of CSKI's patch products in Malaysia. Takasima has commenced its efforts with CSKI's Slim Patch product line. The Slim Patch is a weight loss product that is currently sold in China under the "Tian Di Ren" brand. The Slim Patch will be repackaged and sold in Malaysia under the "Takasima" brand name. The strategic agreement also provides that Takasima will generate sales revenue of approximately USD\$1.0 million per month. Since the signing of the agreement early this year, Takasima has fulfilled its monthly obligation. Management anticipates that this strategic agreement could result in up to USD\$12 million in additional annual sales revenue in 2007, with a net profit margin of approximately 20%. The agreement also provides that Takasima has a first right of refusal to become the sole distributor of the Slim Patch in all of Southeast Asia.

About Takasima Industries (www.takasima.com)

Takasima was established in 1994 and has a wide range of business interests, including fitness products, retailing, and distribution. Takasima's sister companies are Takasima Health-Mar, Blueway International and Osiwa (M) Sdn. Bhd. of Pinway Industries. Takasima has over 100 employees, and has become a leading brand of fitness products, with over 60 merchandisers with 20 showrooms in Southeast Asia, where it has its presence in Singapore, Thailand, Philippines, Taiwan and China. Takasima offers a wide variety of the latest in health and wellness products in its showrooms across Southeast Asia, including various massage equipment, health and fitness equipment (body slimming belt, blood pressure Kit, slimming electrode pads, etc.), and healthy living, cooking and household products. Management of China Sky One Medical, Inc. believes its products will readily complement and broaden Takasima's product lines with existing and future customers in the health and wellness industry.

About China Sky One Medical, Inc. (www.skyonemedical.com)

China Sky One Medical, Inc., a Nevada corporation, is a holding company whose principal operations are through its subsidiaries, which are engaged in the manufacture, marketing and distribution of pharmaceutical and medicinal products. Through its wholly-owned subsidiaries, American California Pharmaceutical Group, Inc. ("ACPG"), Harbin Tian Di Ren Medical Science and Technology Company ("TDR"), Kangxi Medical Care Product Factory ("Kangxi"), and Harbin First Bio-Engineering Company Limited ("First"), the Company's principal revenue source is the manufacture and sale of over-the-counter pharmaceutical products.

ACPG, a wholly-owned subsidiary of the Company, operates as a holding company for the other subsidiaries. TDR's principal business is the manufacture and sale of branded nutritional supplements and over-the-counter plant- and herb-based medicinal products. Its manufacturing facilities are in the City of Harbin, Heilongjiang Province. It has evolved into an integrated

manufacturer, marketer, and distributor of external-use natural Chinese medicinal products sold primarily to and through domestic pharmaceutical chain stores in China with its subsidiaries, Kangxi and First. Kangxi's principal business activity is to manufacture and sell branded external-use Chinese medicine and other natural products under the registered trademark "Kangxi." It has 6 product lines: spray, ointment, powder, patch, cream, and miscellaneous health and beauty products. It has become one of the leading external-use Chinese medicine factories, with a full range of product lines and development capacity. First's principal business activity is to research and develop the use of natural medicinal plants and biological technology products such as New Endothelin-1. First is one of the first companies in Heilongjiang Province conducting research and development of high technology biological products. Its facility is now under final inspection by the Chinese State Food and Drug Administration ("SFDA") for the qualification as a certified GMP production facility. On July 31, 2006, Kangxi merged with First, with Kangxi's existing business activities continuing under First.

Certain of the statements made herein constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements typically involve risks and uncertainties and may include financial projections or information regarding our future plans, objectives or performance. Actual results could differ materially from the expectations reflected in such forward-looking statements as a result of a variety of factors, including the risks associated with the effect of changing economic conditions in The People's Republic of China, variations in cash flow, reliance on collaborative retail partners and on new product development, variations in new product development, risks associated with rapid technological change, and the potential of introduced or undetected flaws and defects in products, and other risk factors detailed in reports filed with the Securities and Exchange Commission from time to time.