



**Tanke Biosciences Announces Third Quarter 2012 Revenue Increases
59% to \$9.9 Million**

Achieves Record Operating Income of \$2.2 Million

NEW YORK and GUANGZHOU, CHINA, November 15, 2012 -- Tanke BioSciences Corporation (OTCQB: TNBI) announces financial results for the three and nine months ended September 30, 2012.

For the third quarter ended September 30, 2012, the company generated revenue of \$9,906,581, a 59 percent increase over revenue of \$6,247,833 for the third quarter of 2011. Tanke's third quarter 2012 operating income was \$2,182,489, an 81 percent increase over operating income of \$1,203,796 for same period last year. The company achieved third quarter 2012 net income of \$968,632, or \$.07 per share, compared to a net loss of (\$1,445,871), or (\$.11) per share, for the third quarter of 2011. The company recorded a non-cash amortization expense related to a discount on notes and offering costs totaling \$899,312 and \$1,798,624 for the third quarter of 2012 and 2011, respectively.

For the nine months ended September 30, 2012, the company generated revenue of \$21,878,509, a 27 percent increase over revenue of \$17,179,146 for the first nine months of 2011. Tanke's operating income for the nine months ended September 30, 2012 was \$4,168,346 compared to operating income of \$718,413 for the same period last year. The first nine months of 2011 included a non-cash expense related to the issuance of stock in the amount of \$2,490,098 for consulting fees related to going public. Net income for the nine months ended September 30, 2012 was \$570,069, or \$.04 per share, compared to a net loss of (\$5,124,341), or (\$.40) per share, for the same period last year. The company recorded a non-cash amortization expense related to a discount on notes and offering costs totaling \$2,678,388 and \$4,555,214 for the nine months ended September 30, 2012 and 2011, respectively.

Mr. Guixiong Qiu, Chairman and CEO of Tanke, commented, "We continue to generate very strong year-over-year revenue growth as a result of increasing demand for our natural and safe feed additives. In particular, third quarter sales of our organic trace mineral additives increased 81 percent over the same period last year. We have significantly enhanced our domestic sales and marketing initiatives, and believe we are extremely well positioned heading into 2013. We achieved record operating income and cash flow, and we are pleased to report we had over \$11 million of cash on hand, and shareholder equity of \$16.5 million, or \$1.24 per share, at the end of the third quarter. Looking ahead, we are in the process of adding a new state-of-the-art production facility, which we expect to come online in mid-2013. This new facility will help support our anticipated growth, both domestic and international."

About Tanke BioSciences Corporation

Founded in 1997, Tanke BioSciences Corp. (<http://tanke-bio.com/>) is a leading China-based agritech company developing, manufacturing and marketing animal feed additives and livestock nutritional products that address China's soaring demand for safe, reasonably priced food. All Tanke products are free of genetically modified organisms (GMOs), antibiotics, and are environment-friendly, making them optimal for animal consumption. The company's operations are based in Guangzhou, China with offices in the United States. For investor information, please go to <http://ir.stockpr.com/tankebio/overview>.

Forward-Looking Statements

This press release and the statements of representatives of our officers, directors, employees and representatives related thereto contain or may contain forward-looking statements which are based upon the current beliefs and expectations of our management. Such statements contained in this release are based on management's exercise of business judgment as well as assumptions made by and information currently available to management. When used in this document, the words "guidance," "projects," "may," "could," "would," "should," "believes," "expects," "anticipates," "estimates," "intends," "plans," "ultimately" and words of similar import, are intended to identify any forward-looking statements. The information contained in the forward looking statements is inherently uncertain, and our actual results may differ materially due to a number of factors, many of which are beyond our ability to predict or control, including, among others: (i) changes in the level of consumer spending or preferences or demand for our products; (ii) pressures from competition; (iii) our ability to hire and retain key personnel and our relationship with our employees; (iv) the performance of our distributors and other key vendors; (v) effectively carrying out and managing our growth strategies; (vi) failure to maintain the value and image of our brand and protect our intellectual property rights; (vii) seasonality; (viii) costs of materials and labor; (ix) sales, manufacturing, supply or distribution difficulties or disruptions; (x) compliance with or changes in Chinese, U.S. or international laws and regulations; (xi) costs as a result of operating as a public company; (xii) material weaknesses in internal controls; (xiii) interest rate and foreign currency risks; (xiv) our ability to maintain our land use and drug manufacturing rights in China; (xv) general economic and industry conditions in China and internationally, and other risks as more fully detailed in our filings with the Securities and Exchange Commission ("SEC"). Our filings with the SEC are available at www.sec.gov. You are urged to consider these factors carefully in evaluating our forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements which are qualified in their entirety by this cautionary statement. The forward-looking statements speak only as of the date on which they are made, and the company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances unless as required by applicable laws or regulations.

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(tables follow)

TANKE BIOSCIENCES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	September 30, 2012	December 31, 2011
	<u> </u>	<u> </u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$11,043,457	\$ 7,700,156
Restricted cash	538,641	706,802
Accounts receivable, net	2,275,592	1,917,699
Inventories	1,637,952	1,187,895
Note receivable-related parties, current portion	-	239,476
Loans to customer and supplier	2,876,785	2,513,460
Other receivables	197,861	53,936
Prepayments	3,245,281	3,633,674
Other current assets	339,553	914,594
Deferred tax assets	46,327	46,042
Total current assets	<u>22,201,449</u>	<u>18,913,734</u>
Property, plant and equipment, net	4,922,941	4,771,299
Construction in progress	320,848	35,878
Intangible asset, net	1,274,936	838,089
Other non-current assets	121,439	328,006
Total assets	<u>\$28,841,613</u>	<u>\$24,887,006</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 581,950	\$ 784,777
Other payables and accrued liabilities	917,942	758,907
Income tax payable	1,746,235	1,216,841
Convertible notes, net	6,569,182	-
Current portion of long-term borrowing	1,343,553	785,456
Total current liabilities	<u>11,158,862</u>	<u>3,545,981</u>
Convertible notes, net	-	4,488,881
Note payable - related party	13,722	13,722
Advance from government grant	187,193	355,754
Long-term borrowing	948,391	628,365
Total liabilities	<u>12,308,168</u>	<u>9,032,703</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value, 50,000,000 shares authorized, 13,324,083 issued and outstanding as of September 30, 2012 and December 31, 2011	13,324	13,324
Additional paid-in capital	12,220,181	12,220,181
Retained earnings	3,266,051	2,695,983
Statutory reserve	373,406	373,406
Accumulated other comprehensive income	660,483	551,409
Total stockholders' equity	<u>16,533,445</u>	<u>15,854,303</u>

Total liabilities and stockholders' equity			<u>\$28,841,613</u>	<u>\$24,887,006</u>
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TANKE BIOSCIENCES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE
INCOME (LOSS)
(UNAUDITED)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Net sales	\$ 9,906,581	\$ 6,247,833	\$ 21,878,509	\$ 17,179,146
Costs of sales	<u>(6,521,478)</u>	<u>(4,004,212)</u>	<u>(14,165,652)</u>	<u>(10,737,079)</u>
Gross profit	3,385,103	2,243,621	7,712,857	6,442,067
Selling expenses	(611,880)	(486,231)	(1,706,112)	(1,690,287)
Administrative expenses	(574,092)	(545,100)	(1,795,328)	(3,870,005)
Other operating expenses	-	(4,809)	-	(96,498)
Depreciation and amortization	<u>(16,642)</u>	<u>(3,685)</u>	<u>(43,071)</u>	<u>(66,864)</u>
Income from operations	2,182,489	1,203,796	4,168,346	718,413
Other income/expense				
Interest income	23,573	25,563	193,026	29,173
Interest expense	(316,422)	(814,415)	(1,058,291)	(1,497,364)
Amortization of discount on notes	(698,495)	(1,396,990)	(2,080,301)	(3,538,030)
Registration rights agreement expense	-	(260,782)	-	(260,782)
Foreign exchange losses, net	<u>-</u>	<u>(17,846)</u>	<u>-</u>	<u>(70,246)</u>
Income (loss) before income taxes	1,191,145	(1,260,674)	1,222,780	(4,618,836)
Income tax expense	<u>(222,513)</u>	<u>(185,197)</u>	<u>(652,711)</u>	<u>(505,505)</u>
Net income (loss)	<u>\$ 968,632</u>	<u>\$ (1,445,871)</u>	<u>570,069</u>	<u>\$ (5,124,341)</u>
Other comprehensive income, net of tax:				
Effects of foreign currency conversion	<u>(101,883)</u>	<u>308,646</u>	<u>109,074</u>	<u>549,414</u>
Comprehensive income (loss)	<u>\$ 866,749</u>	<u>\$ (1,137,225)</u>	<u>679,143</u>	<u>\$ (4,574,927)</u>
Net income (loss) available to common shareholders per share:				
Basic	<u>\$ 0.07</u>	<u>\$ (0.11)</u>	<u>0.04</u>	<u>\$ (0.40)</u>
Diluted	<u>\$ 0.07</u>	<u>\$ (0.11)</u>	<u>0.04</u>	<u>\$ (0.40)</u>
Weighted average shares outstanding:				
Basic	13,324,083	13,324,083	13,324,083	12,723,196
Diluted	13,324,083	13,324,083	13,324,083	12,941,132