

Press Release

GINGER BEEF CORPORATION Reports First Quarter Activities and Developments

June 1, 2005 – Calgary, Alberta

Ginger Beef Corporation (the “Corporation”) (TSX Venture – “GB”) is pleased to report to you the activities of the Company for the first quarter ending March 31, 2005.

The Corporation made another significant push of its revenues during this quarter. Following the new business developments with two major Canadian grocery chains as previously announced in this quarter along with the organic growth of existing accounts, sales increased 57% over the corresponding period in 2004. In conjunction, gross profit for the quarter also increased 45% over the corresponding period in 2004.

Due to the profitability and subsequent tax implications of this quarter, the Corporation drew down a future tax asset of \$41,000 by applying the available losses carried forward from previous years against the taxable income of this quarter. With the adoption of stock option-based compensation principles, \$37,500 was expensed for the stock option-based compensation in this quarter. As a result, net earnings were reduced by \$78,500 for this quarter to reflect these accounting adjustments. Regardless, the Corporation managed to increase net earnings by 100% for this quarter over the corresponding period in 2004.

“The company reached another milestone in this quarter by increasing its market share in Western and Eastern Canada. The results from these transactions will be realized over the next few quarters as these customers strategically roll out to more locations. By using the same winning Western Canada marketing formula in Eastern Canada, we should be able to attract more retail and food service customers. It’s just a matter of building product and brand awareness. With objectives to continuously fine tune our products and packaging, we expect to build upon our solid foundation further this year. With this successful business model, our revenues will continue to climb and profit growth will follow”, says Stanley Leung, CEO and President.

Furthermore in this quarter, the Corporation began preliminary product development of a new branded product line to capitalize on the growing popularity of Asian foods such as Japanese, Thai, and other exciting fusion food cuisines. Market acceptance of these types of ethnic foods is becoming more evident by their availability in mainstream restaurant chains and food court kiosks. Consumers are always seeking more exotic flavours. The company plans to open new markets by initially targeting the growing convenience store sector with its new line of rice bowl style entrees. Many convenience outlets are offering more and more affordable food service solutions besides the traditional sandwiches, soups, hot dogs, and pizza offerings. With a portable and affordable “quick and delicious” meal solution for consumers who can “eat on the run”, the company anticipates that the new product line will be a winner.

All Ginger Beef products follow the highest quality and safety standards established by the Canadian Food Inspection Agency and use only meat inspected by this Agency.

About Ginger Beef Corporation

Ginger Beef Corporation is a food company based in Calgary, Alberta. It is a public company listed on the TSX Venture Exchange. Through two wholly owned subsidiaries, Ginger Beef Express Ltd. and Ginger Beef Choice Ltd., Ginger Beef franchises a number of take out/delivery service restaurants in Alberta and produces a number of frozen or ready to serve deli Chinese food products. The Corporation's manufacturing facility is certified and licensed by the Canadian Food Inspection Agency as a federally regulated plant and therefore, all products manufactured can be shipped to all provinces and territories in Canada.

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