

KHD Humboldt Wedag International Ltd Announces It Will Not Complete the Arrangement to Purchase Sasamat
6/21/2006

HONG KONG, June 21 /PRNewswire-FirstCall/ -- KHD Humboldt Wedag International Ltd ("KHD") (Nasdaq: KHDH) announces that it has advised Sasamat Capital Corporation ("Sasamat") (Pink Sheets: SSALF) that KHD does not intend to complete the acquisition of Sasamat contemplated by the Arrangement Agreement (the "Arrangement Agreement") dated April 24, 2006, as amended. Pursuant to the Arrangement Agreement, KHD's obligation to complete the transactions under the Arrangement Agreement was subject to the condition that the aggregate number of common shares of Sasamat (the "Sasamat Shares") in respect of which Sasamat shareholders have exercised rights of dissent may not be more than 10% of the issued and outstanding Sasamat Shares on the date of the meeting of the shareholders of Sasamat called to consider the transaction (the "Meeting"), exclusive of those Sasamat Shares owned or controlled directly or indirectly by KHD. As of June 21, 2006, the date of the reconvened Meeting, shareholders holding approximately 13% of the Sasamat Shares, exclusive of those Sasamat Shares owned or controlled directly or indirectly by KHD, have exercised their rights of dissent. As a result, the Arrangement Agreement has been terminated.

About KHD Humboldt Wedag International Ltd.

KHD Humboldt Wedag International Ltd. (the "Company") owns companies that operate internationally in the industrial plant engineering and equipment supply industry, and specializes in the cement, coal and mineral industries. To obtain further information on the Company, please visit our website at <http://www.khdhumboldt.com>

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