

KHD Humboldt Wedag International Ltd. Awarded US\$65 Million Contract in Missouri

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HONG KONG, June 29 /PRNewswire-FirstCall/ -- KHD Humboldt Wedag International Ltd. ("KHD") (Nasdaq: KHDH) is pleased to announce that its Atlanta-based US subsidiary, Humboldt Wedag Incorporated, has successfully concluded negotiations with a major international cement producer and executed a contract for the engineering and supply of equipment for a new 6,440 ton per day cement plant in the State of Missouri. The value of this contract is approximately US\$65 million.

KHD Humboldt President and CEO Jim Busche commented, "Cement is the largest single component of most infrastructure projects around the world. We have a long history of designing, building and outfitting cement plants internationally. The focus of the investment markets has come to rest on suppliers of cement in rapidly growing economies such as China, India and South America. We are very active in all those geographies, but the need for cement is also growing in the United States, as evidenced by this project in Missouri. We are pleased to have been chosen for this project, and consider it an endorsement of our eminent position in this industry worldwide."

The KHD proprietary scope of supply includes a five stage double string preheater with a common PYROCLON(R) Low NOx calciner complete with PYROTOP(R), a single tertiary air duct and a two station PYRORAPID(R) kiln. The producer will provide the raw and finish mills, the clinker cooler and the process fans. In addition, KHD will be supplying the balance of the plant auxiliary equipment including the electrical systems, and all process and civil engineering.

The dollar value of this contract is considered material and triggers the requirement for this announcement. As discussed in the Form 6-K filing of May 16, 2006, KHD does not book Order Intake until contract negotiations have been concluded and the documents signed. Consequently, although the Letter of Intent for this project was executed in January 2006, this announcement and the recording as Order Intake have been deferred until this contract was signed and will be reflected in the second quarter results.

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>

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the Company's future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions. These assumptions, which include, management's current expectations, estimates and assumptions about certain projects and the markets the Company operates in, the global economic environment, interest rates, exchange rates and the Company's ability to attract and retain customers and to manage its assets and operating costs, may prove to be incorrect.

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