Consolidated Water Co. Ltd. To Expand Production Capacity In Cayman Islands

Renewal Of Contract For Lower Valley Plant Anticipates Capacity Increase Of 264,000 USGPD

GEORGE TOWN, Grand Cayman, Cayman Islands (October 31, 2005) -- Consolidated Water Co. Ltd. (NASDAQ National Market: "CWCO"), which develops and operates seawater conversion plants and water distribution systems in areas where natural supplies of drinking (i.e., potable) water are scarce, today announced that its contract with the Water Authority - Cayman in respect to the Lower Valley Plant has been renewed for an additional 7 years. The contract was originally scheduled to expire in March 2006.

Under the terms of the contract renewal agreement, the Water Authority - Cayman has asked Consolidated to expand the water production capacity of the Lower Valley Plant by approximately 264,000 US gallons per day (USGPD). The Lower Valley Plant is a reverse osmosis facility that converts seawater to potable (i.e., drinking) water for commercial and residential customers on Grand Cayman Island. It is one of 6 seawater conversion plants operated by the Company on the island.

"We are pleased to announce the renewal of our Lower Valley Plant contract for an additional 7 years on similar terms to the present contract," stated Rick McTaggart, Chief Executive Officer of Consolidated Water Co. Ltd. "The expansion of production capacity at the plant, when operational in late December this year, will increase Consolidated's total bulk water production capacity on Grand Cayman Island by approximately 9% to 3.2 million US gallons per day. As with all of our contracts, we are able to 'pass through' to customers any increases in the cost of electricity or fuel that is used to operate our plant facilities and adjust our selling prices annually for changes in certain price indices."

Consolidated Water Co. Ltd. is engaged in the development and operation of seawater conversion plants and/or water distribution systems in areas of the world where naturally occurring supplies of potable water are scarce or nonexistent. Consolidated currently operates water production and/or distribution facilities in the Cayman Islands, the British Virgin Islands, Barbados, Belize and the Commonwealth of The Bahamas.

The common stock of Consolidated Water Co. Ltd. is traded on the NASDAQ National Market under the symbol "CWCO". Additional information on the Company is available on its website at http://www.cwco.com.

This press release includes statements that may constitute "forward-looking" statements, usually containing the words "believe", "estimate", "project", "intend", "expect" or similar expressions. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, continued acceptance of the Company's products and services in the marketplace, changes in its relationship with the Governments of the jurisdictions in which it operates, the ability to successfully secure contracts for water projects in other countries, the ability to develop and operate such projects profitably, the Company's ability to manage growth and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this release.

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