Consolidated Water Co. Ltd. Signs Contract For Seawater Desalination Plant In Bermuda

Initial Capacity Of 600,000 Us Gallons Per Day Is Designed For Expansion To 1.2 Million Us Gallons Per Day

GEORGE TOWN, Grand Cayman, Cayman Islands (January 16, 2007). Consolidated Water Co. Ltd. (Nasdaq Global Select Market: "CWCO") today announced that the Company has signed a Design, Build and Operate (DBO) contract with the Government of Bermuda for the Tynes Bay Desalination Plant on the north coast of Bermuda.

The project is comprised of a 600,000 US gallon per day (USgpd) seawater desalination plant, a full standby electrical power plant and 1.27 miles of main water delivery pipelines. The production capacity of the plant is designed for expansion to 1.2 million USGPD at a later date.

The contract requires the Company's recently formed affiliate, Consolidated Water (Bermuda) Limited, to construct and commission the plant and pipeline within 11 months and to operate the facility for at least 12 months after commissioning. The Company has entered into agreements to loan its Bermuda affiliate the funds to construct the plant and to manage its operations.

Consolidated Water Co. Ltd. develops and operates seawater desalination plants and water distribution systems in areas of the world where naturally occurring supplies of potable water are scarce or nonexistent. The Company currently operates water production and/or distribution facilities in the Cayman Islands, , Barbados, Belize and The Commonwealth of the Bahamas. The Company's affiliate, Ocean Conversion (BVI) Ltd., also produces and distributes water in the British Virgin Islands.

The ordinary shares of Consolidated Water Co. Ltd. is traded on the NASDAQ Global Select 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 and 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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