

THE HERZFELD CARIBBEAN BASIN FUND, INC.

FOR IMMEDIATE RELEASE

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NASDAQ Capital Market: CUBA
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The Herzfeld Caribbean Basin Fund, Inc. Announces Filing of a Preliminary Registration Statement for a Proposed Non-Transferable Rights Offering

Miami Beach, FL - The Herzfeld Caribbean Basin Fund (NASDAQ Capital Market: CUBA) announces the filing of a preliminary registration statement with the Securities and Exchange Commission (SEC) for a proposed non-transferable rights offering to holders of the Fund's common stock. The rights offering will commence only upon further approval by the Fund's Board of Directors, on terms yet to be determined, and remains subject to market conditions. If the Fund's Board approves the rights offering, commencement of the offer will be announced via press release and the definitive terms of the offer, including important dates and the subscription price, will be included in the prospectus. The final terms of such an offer will depend on market conditions at the time of commencement. Subject to making the necessary filings with the SEC and such filings becoming effective, it is expected that the rights offering will be conducted later this year. The record date for the offering has not yet been set.

This announcement is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted. The offer will be made only by means of a prospectus and only after the registration statement on file with the SEC has been declared effective. The final terms of the offer may be different from those discussed above.

About The Herzfeld Caribbean Basin Fund, Inc.

The Herzfeld Caribbean Basin Fund, Inc. is a closed-end fund managed by HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc. (based in Miami). The Fund seeks long-term capital appreciation. To achieve its objective the Fund invests in issuers that are likely, in the Advisor's view, to benefit from economic, political, structural and technological developments in the countries in the Caribbean Basin, which the Fund considers to consist of Cuba, Jamaica, Trinidad and Tobago,

the Bahamas, the Dominican Republic, Barbados, Aruba, Haiti, the Netherlands Antilles, the Commonwealth of Puerto Rico, Mexico, Honduras, Guatemala, Belize, Costa Rica, Panama, Colombia, Venezuela and the United States.

Thomas J. Herzfeld Advisors, Inc. specializes in the field of closed-end funds. Information about the advisor and the Fund can be found at www.herzfeld.com.

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