



August 29, 2012

FOR IMMEDIATE RELEASE

CUC ANNOUNCES FUEL SUPPLY CONTRACTS

Caribbean Utilities Company, Ltd. is listed for trading in United States dollars on the Toronto Stock Exchange.

Grand Cayman, Cayman Islands - Caribbean Utilities Company, Ltd. (TSX: CUP.U) (“CUC” or “the Company”) announced today that it has entered a five-year primary diesel fuel supply contract with Rubis Cayman Islands Limited (“Rubis”) and a five-year secondary supply contract with ESSO Cayman Ltd (“Esso”) following completion of a competitive tender process. Rubis, as CUC’s primary supplier, shall provide approximately 60% of the fuel required to operate the Company’s North Sound Plant. The award of the contracts following the competitive tender process was approved by the Electricity Regulatory Authority.

CUC provides electricity to Grand Cayman, Cayman Islands, under an Electricity Generation Licence expiring in 2029 and an exclusive Electricity Transmission and Distribution Licence expiring in 2028. Further information is available at www.cuc-cayman.com.

Caribbean Utilities Company, Ltd. (“CUC” or “the Company”), on occasion, includes forward-looking statements in its media releases, Canadian securities regulatory authorities filings, shareholder reports and other communications. Forward looking statements include statements that are predictive in nature, depend upon future events or conditions, or include words such as “expects”, “anticipates”, “plan”, “believes”, “estimates”, “intends”, “targets”, “projects”, “forecasts”, “schedule”, or negative versions thereof and other similar expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”. Forward looking statements are based on underlying assumptions and management’s beliefs, estimates and opinions, and are subject to inherent risks and uncertainties surrounding future expectations generally that may cause actual results to vary from plans, targets and estimates. Some of the important risks and uncertainties that could affect forward looking statements are described in the MD&A in the section labeled “Business Risks” and include but are not limited to operational, general economic, market and business conditions, regulatory developments and weather. CUC cautions readers that actual results may vary significantly from those expected should certain risks or uncertainties materialize, or should underlying assumptions prove incorrect. Forward-looking statements are provided for the purpose of providing information about management’s current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by law.

Contact: David Watler
Vice President - Production
Phone: (345) 914-1242
E-Mail: dwalter@cuc.ky

Caribbean Utilities Company, Ltd.
457 North Sound Road, P.O. Box 38, Grand Cayman KY1-1101, CAYMAN ISLANDS
Tel: (345) 949-5200, Fax: (345) 949-5203, Website: www.cuc-cayman.com