

**THOMAS J. HERZFELD ADVISORS, INC.
THE HERZFELD CARIBBEAN BASIN FUND, INC. (NASDAQ:CUBA)**

FOR IMMEDIATE RELEASE

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**Thomas J. Herzfeld Advisors, Inc. and The Herzfeld Caribbean Basin Fund, Inc.
(NASDAQ: CUBA) Announce Measures to Address the Fund's Trading Discount**

Miami Beach, Florida – Thomas J. Herzfeld Advisors, Inc. (“TJHA”), an SEC registered investment advisor, today announced that the Board of Directors of The Herzfeld Caribbean Basin Fund, Inc. (NASDAQ: CUBA) (the “Fund”) has authorized the implementation of a three-year plan to address the Fund’s trading discount to its net asset value (“NAV”) per share (the “Plan”).

The Plan, recommended by TJHA and adopted by the Fund’s Board, includes (i) implementation of a managed distribution policy (the “Managed Distribution Policy”) contingent upon receipt of any required regulatory or exemptive relief to pay monthly distributions at an annual rate, set once a year, that is a percentage of the Fund’s NAV at its most recent fiscal year end, and (ii) the adoption of a contingent tender offer policy (the “Tender Offer Policy”) to conduct a tender offer for up to five percent of the Fund’s outstanding shares within 90 days after the fiscal year ending June 30, 2020, 2021 or 2022 if the average discount to the Fund’s NAV is in excess of 10% for any such fiscal year.

In recommending the Plan to the Board of Directors of the Fund, TJHA noted that the Fund has traded at a premium at some point in 22 of the first 23 calendar years since inception. However, given a more sustained discount over the recent period, and the current approach to US-Cuba relations adopted by the Trump administration as well as the administration’s confrontational posture with regard to Venezuela, TJHA has determined that it is in the best interest of all shareholders to implement measures to directly address the Fund’s discount to NAV. The Plan is to be instituted over a three-year period (beginning July 1, 2019 and ending June 30, 2022) and is subject to the conditions described below.

In addition, TJHA has agreed to waive its management fee by ten (10) basis points (from 1.45% to 1.35%) for any fiscal year during the Plan if the Fund's average discount to NAV during the preceding fiscal year is greater than 5%.

Managed Distribution Policy:

The Board has approved the Managed Distribution Policy to pay monthly distributions at an annual rate, set once a year, that is a percentage of the Fund's NAV. The Board has determined that the initial rate will be 15% of the Fund's NAV. The implementation of the Managed Distribution Policy is subject to the receipt by the Fund of exemptive relief from the U.S. Securities and Exchange Commission which would permit the Fund to distribute long-term capital gains more than once a year. The Fund expects to apply for such exemptive relief in the near future. Absent the exemptive relief, the Fund is generally permitted to distribute long-term capital gains only once each year. There can be no guarantee that exemptive relief will be granted and until the Fund receives the exemptive relief, the Managed Distribution Policy will not be implemented.

The primary purpose of the Managed Distribution Policy is to provide stockholders with a constant, but not guaranteed, fixed minimum rate of distribution each month. The Fund cannot predict what effect, if any, the Managed Distribution Policy will have on the market price of its shares or whether such market price will reflect a greater or lesser discount to NAV as compared to prior to the adoption of the Managed Distribution Policy.

Under the Managed Distribution Policy, the Fund will distribute all available investment income to its stockholders, consistent with its investment objective and as required by the Internal Revenue Code of 1986, as amended. If sufficient investment income is not available on a monthly basis, the Fund will distribute long-term capital gains and/or return capital to its stockholders in order to maintain its managed distribution level. The Fund expects that distributions under the Managed Distribution Policy may exceed investment income and capital gain and thus expects that such distributions may likely include return of capital for the foreseeable future. No conclusions should be drawn about the Fund's investment performance from the amount of the Fund's distributions or from the terms of the Fund's Managed Distribution Policy. The amount distributed per share is subject to change at the discretion of the Fund's Board of Directors. The Managed Distribution Policy will be subject to ongoing review by the Board of Directors to determine whether the Managed Distribution Policy should be continued, modified or terminated. The Board of Directors may amend the terms of the Managed Distribution Policy or suspend or terminate the Managed Distribution Policy at any time without prior notice to the Fund's stockholders if it deems such actions to be in the best interest of the Fund or its stockholders. The amendment or termination of the Managed Distribution Policy could have an adverse effect on the market price of the Fund's shares. A return of capital occurs when some or all of the money that stockholders invested in the Fund is paid back to them. A return of capital does not reflect the Fund's investment performance and should not be confused

with “yield” or “income.” Any such returns of capital will decrease the Fund’s total assets and, therefore, could have the effect of increasing the Fund’s expense ratio. In addition, in order to make the level of distributions called for under its Plan, the Fund may have to sell portfolio securities at a less than opportune time. With each distribution that does not consist solely of net investment income, the Fund will issue a notice to stockholders and an accompanying press release that will provide detailed information regarding the amount and composition of the distribution and other related information. The amounts and sources of distributions reported in the notice to stockholders are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund’s investment experience during its full fiscal year and may be subject to changes based on tax regulations. The Fund will send stockholders a Form 1099-DIV for the respective calendar year that will tell them how to report these distributions for federal income tax purposes.

Tender Offer Policy:

The Board of Directors also approved a Tender Offer Policy beginning in 2020. Under the Tender Offer Policy, if the average discount to the Fund’s NAV is in excess of 10% for the fiscal years ending June 30, 2020, 2021 or 2022, the Fund will commence a tender offer within 90 days after fiscal year-end to purchase up to 5% of then-outstanding shares at 97.5% of NAV.

About Thomas J. Herzfeld Advisors, Inc.

Thomas J. Herzfeld Advisors, Inc., founded in 1984, is an SEC registered investment advisor, specializing in investment analysis and account management in closed-end funds. The Firm also specializes in investment in the Caribbean Basin. The HERZELD/CUBA division of Thomas J. Herzfeld Advisors, Inc. serves as the investment advisor to The Herzfeld Caribbean Basin Fund, Inc. a publicly traded closed-end fund (NASDAQ: CUBA).

More information about the advisor can be found at www.herzfeld.com.

Forward-Looking Statements

This press release, and other statements that TJHA or the Fund may make, may contain forward looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to the Fund’s or TJHA’s future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as “trend,” “potential,” “opportunity,” “pipeline,” “believe,” “comfortable,” “expect,” “anticipate,” “current,” “intention,” “estimate,” “position,” “assume,” “outlook,” “continue,” “remain,” “maintain,” “sustain,” “seek,” “achieve,” and similar expressions, or future or conditional verbs such as “will,” “would,” “should,” “could,” “may” or similar expressions. TJHA and the Fund

caution that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and TJHA and the Fund assume no duty to and do not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance. With respect to the Fund, the following factors, among others, could cause actual events to differ materially from forward-looking statements or historical performance: (1) changes and volatility in political, economic or industry conditions, particularly with respect to Cuba and other Caribbean Basin countries, the interest rate environment, foreign exchange rates or financial and capital markets, which could result in changes in demand for the Fund or in the Fund's net asset value; (2) the relative and absolute investment performance of the Fund and its investments; (3) the impact of increased competition; (4) the unfavorable resolution of any legal proceedings; (5) the extent and timing of any distributions or share repurchases; (6) the impact, extent and timing of technological changes; (7) the impact of legislative and regulatory actions and reforms, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, and regulatory, supervisory or enforcement actions of government agencies relating to the Fund or TJHA, as applicable; (8) terrorist activities, international hostilities and natural disasters, which may adversely affect the general economy, domestic and local financial and capital markets, specific industries or TJHA or the Fund; (9) TJHA's and the Fund's ability to attract and retain highly talented professionals; (10) the impact of TJHA electing to provide support to its products from time to time; and (11) the impact of problems at other financial institutions or the failure or negative performance of products at other financial institutions. Annual and Semi-Annual Reports and other regulatory filings of the Fund with the SEC are accessible on the SEC's website at www.sec.gov and on TJHA's website at www.herzfeld.com/cuba, and may discuss these or other factors that affect the Fund. The information contained on TJHA's website is not a part of this press release.