

ASA (BERMUDA) LIMITED ANNOUNCES CHANGES TO DIVIDEND PAYMENT SCHEDULE AND CORPORATE GOVERNANCE REQUIREMENTS

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Contact: Robert J. A. Irwin
ASA (Bermuda) Limited
(716) 883-2428

FOR IMMEDIATE RELEASE

New York, New York, March 3, 2005 – ASA (Bermuda) Limited (NYSE: ASA) today announced that the Board of Directors has re-evaluated the Company’s dividend payment schedule and has decided to reduce the frequency of dividend declarations from quarterly to semi-annually effective immediately. The Company anticipates that the first dividend of 2005 will be declared in May.

At the Annual General Meeting of Shareholders of the Company held on March 3, 2005, the shareholders of the Company approved changes to the Company’s Bye-Laws to require: (1) a minimum of thirty (30) days’ advance notice of any meeting of shareholders; (2) a quorum requirement of one-third (1/3) of the outstanding voting securities of the Company for purposes of conducting a shareholder meeting; and (3) that at least a majority of the Board of Directors of the Company be “independent directors” meeting the independence requirements of the Investment Company Act of 1940 and the rules of the New York Stock Exchange. These changes better align the Company’s Bye-Laws with customary by-law provisions relating to such matters at most U.S. closed-end investment companies, and will affect positively the rights of shareholders.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release are “forward-looking statements” within the meaning of U.S. federal securities laws and are intended to be covered by the safe harbors created thereby. These forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those expressed in those forward-looking statements. Many of these factors are beyond the Company’s ability to control or estimate precisely. Readers are cautioned not to place undue reliance on such forward-looking statements, which only speak as of the date of this press release. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events or circumstances, except as may be required under applicable securities laws.