

For immediate release

Special Opportunities Fund, Inc. Announces Dividends on Common and Convertible Preferred Stock and Adjusted Conversion Ratio

New York, December 9, 2016—Special Opportunities Fund, Inc. (NYSE: SPE) (the “Fund”) today announced that the Fund’s Board of Directors (the “Board”) has declared a year-end cash dividend of \$0.81 per share of common stock consisting of \$0.25 of long term capital gains and \$0.56 of net investment income.

The dividend is payable on December 30, 2016 to common stockholders of record as of December 21, 2016.

In addition, the Board has declared a quarterly cash dividend of \$0.21875 on the Fund’s 3.50% Convertible Preferred Stock, Series B. The dividend is payable on December 30, 2016 to holders of record as of December 21, 2016.

As a result of the dividend payable on the common stock, on December 22, 2016 (the next business day after the record date), the conversion price for the convertible preferred stock will decrease from \$19.00 per share to \$18.19 per share for each share of convertible preferred stock. The Fund’s Board of Directors may determine to redeem the convertible preferred stock at a price of \$25 per share at any time after August 26, 2018, subject to providing notice of at least 30 days.

The final determination of the sources of all distributions in 2016 will be made after year end and may vary from the amounts provided above.

Periodically updated information on the Fund can be obtained by visiting the Fund’s website at www.specialopportunitiesfundinc.com.

CONTACT: U.S. Bancorp Fund Services, LLC – John Buckel (414) 765-4255