

Special Opportunities Fund, Inc. Announces Redemption of Convertible Preferred Stock

January 27, 2014

Special Opportunities Fund, Inc. (NYSE: SPE) (the “Fund”) today announced that the Fund’s Board of Directors (the “Board”) has determined to redeem all outstanding shares of the Fund’s Convertible Preferred Stock on March 3, 2014 at \$50 per share. In accordance with the prospectus for the Fund’s Convertible Preferred Stock, no accrued interest will be paid.

Holders of the Fund’s Convertible Preferred Stock may, until 5 pm EST on February 28, 2014, convert their shares into shares of Common Stock at a ratio of 3.7160 common shares for each share of Convertible Preferred Stock (with cash in lieu of any fractional shares of common stock). Holders of shares of Convertible Preferred Stock that do not elect to convert by 5 pm EST on February 28, 2014 will receive \$50 in cash per share. Currently, the market price of the Convertible Preferred Stock is significantly higher than \$50 per share. Therefore, holders of the Fund’s Convertible Preferred Stock are advised to check the market price of both the Common Stock and the Convertible Preferred Stock before determining whether to convert their shares into common stock.

If, prior to the next Annual Meeting of Stockholders, no shares of Convertible Preferred Stock remain outstanding, then the directors nominated for election by holders of the Convertible Preferred Stock will remain on the Board until the following Annual Meeting of Stockholders and until their successors have been duly elected.

Questions please contact:

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