

Special Opportunities Fund, Inc. Extends Rights Offering

NEW YORK, July 9, 2012 -- (BUSINESS WIRE) -- Special Opportunities Fund, Inc. (NYSE: SPE - News) (the "Fund") announced today the extension of the Expiration Date for the rights offering to purchase shares of a newly designated class of convertible preferred stock from July 9, 2012 to July 23, 2012. As a result, all outstanding shares of the convertible preferred stock as of July 24, 2017 (five years from the revised Expiration Date) will be redeemed at a price of \$50 per share. Any holder of rights that has previously exercised them may cancel such exercise and have any payment made refunded.

The Expiration Date has been extended so that a corrective supplement to the prospectus can be prepared and filed with the Securities and Exchange Commission. On June 5, 2012, the Fund issued a public announcement of the commencement of the rights offering in which it stated: "If the net asset value of the Fund's common stock reaches \$20 per share (adjusted for any distributions made to common stockholders), the Fund's Board of Directors may determine to redeem the convertible preferred stock at a price of \$50 per share, subject to the Fund providing convertible preferred stockholders with at least 30 days notice." However, the prospectus erroneously failed to state that the \$20 per share threshold would be adjusted for distributions.

The corrective supplement to the prospectus will be available at www.sec.gov. Additional information about the Fund is available on its website at <http://www.specialopportunitiesfundinc.com>.

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