

Special Opportunities Fund Announces Increase in Monthly Distributions

New York, December 16, 2019—Special Opportunities Fund, Inc. (NYSE: SPE) (the “Fund”) today announced that the Board of Directors (the “Board”) has approved an increase to the monthly distributions to common stockholders provided under the Fund’s managed distribution plan (the “Plan”). Beginning in January 2020, the Fund intends to make monthly distributions at an annual rate of at least 7% (or 0.5833% per month), based on the net asset value (NAV) of the Fund’s common shares as of the last business day of 2019, an increase of 1% from the previous rate of 6% per annum.

Under the Plan, to the extent that sufficient investment income is not available on a monthly basis, the Fund will distribute long-term capital gains and/or return of capital. To the extent that the Fund’s net investment income and net realized capital gains exceed the aggregate amount distributed pursuant to the managed distribution plan, the Fund may make an additional year-end distribution. No conclusions should be drawn about the Fund’s investment performance from the amount of the distributions. The Board may amend the terms of the managed distribution plan or terminate the plan at any time without prior notice to stockholders which could have an adverse effect on the market price of the Fund’s common shares. The plan will be subject to periodic review by the Board, including a yearly review of the annual fixed rate to determine if an adjustment should be made.

The Fund will issue a notice to common stockholders that will provide an estimate of the composition of each distribution. For tax reporting purposes the actual composition of the total amount of distributions for each year will continue to be provided on a Form 1099-DIV issued after the end of the year.

The conversion price for each share of the Fund’s convertible preferred stock will decrease by the amount of each distribution to common stockholders. The current conversion price as well as other information about the Fund will be available on the Fund’s website at www.specialopportunitiesfundinc.com.

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