

NEWS RELEASE

FOR IMMEDIATE RELEASE

Working Opportunity Fund Portfolio Update

Vancouver, B.C. January 31, 2020 - Working Opportunity Fund (EVCC) Ltd. (“WOF” or the “Fund”) provides a portfolio update.

One of the Fund’s private portfolio companies accepted a term sheet for a significant equity financing. The financing will improve the capital position and the outlook for the portfolio company however the valuation of the financing is at a lower level than prior equity financings. The portfolio company made a strategic decision to accept the term sheet and welcomes the significant growth resources that are expected to be secured in this financing.

The impact to WOF is a reduction in carrying value of \$11.8 million for Venture Series and \$1.6 million for Commercialization Series. This represents a reduction in net asset value of approximately 13.8% and 14.0% respectively.

The Fund’s Venture Series is closed for redemption and it has a dividend distribution policy in place whereby available cash from the portfolio is distributed proportionately to all shareholders. The top five investments held by the Venture Series are Teradici, D-Wave Systems, Copperleaf, General Fusion and Switch Materials. The Fund is reliant on exits from its portfolio companies to generate liquidity for Venture Series shareholders and as WOF’s investments in these companies are all minority equity positions, the timing and ability to effect realization of exits are largely beyond the control of the Fund. The Fund’s Commercialization Series is open for redemption.

Despite the Fund experiencing this reduction in value, our manager believes that the outlook for a number of the portfolio companies continues to be positive and there is potential for the Venture Series portfolio to provide value and meaningful liquidity to shareholders over time.

About PenderFund Capital Management Ltd.

Pender was founded in 2003 and is an independent, employee-owned investment firm located in Vancouver, British Columbia. Our goal is to protect and grow wealth for our investors over time. We have a talented investment team of expert analysts, security selectors and independent thinkers who actively manage our suite of niche investment funds, exploiting inefficient parts of the investing universe to achieve our goal.

For more information on Pender, standard performance information for our funds and important disclosures, please visit www.penderfund.com.

For more information please contact:

Tony Rautava
Investment Associate, Private Equity
trautava@penderfund.com
1-866-377-4743

Melanie Moore
Director of Marketing
mmoore@penderfund.com
1-866-377-4743

Forward Looking Statements. This press release contains forward looking statements which primarily relate to assessments of the liquidity position of the Venture Series, the targeted timing of, ability to complete, and amount of proceeds from, venture portfolio exits from the Venture Series venture investment portfolio, future dividends under the cash dividend distribution policy, future economic and market conditions, including M&A and IPO market conditions and to redemptions of Commercialization Series shares. All forward looking statements are based on management’s current beliefs and assumptions on a range of factors which are subject to numerous known and unknown risks, uncertainties and other factors that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such

factors include, M&A and IPO market conditions generally and within the sectors in which portfolio companies operate,, market potential of technologies and products under development or offered by portfolio companies, the management, intellectual property rights, performance and stage of development of portfolio companies and the portfolio companies' need for and access to further financing, concentration of the portfolio, the ability of the Venture Series to complete an orderly realization of value of its venture portfolio, the ability of the Venture Series to meet other operating commitments, future cost savings, and the liquidity position of the Commercialization Series and its ability to process redemption requests and meet other operating commitments. No assurance can be given as to the timing or amount of any future cash dividends to Venture Series shareholders or the ability to fund follow-on investments and/or ongoing operations.,. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Neither the Fund nor Pender assumes any obligation to update any forward-looking statements made in this release.