



Pender Growth Fund Inc.
1066 West Hastings Street, Suite 1640
Vancouver, BC V6E 3X1

Tel: (604) 688-1511
Toll Free: (866) 377-4743
Fax: (604) 563-3199
www.pendergrowthfund.com

NEWS RELEASE

Pender Growth Fund Announces Intention to Reclassify

VANCOUVER, B.C., April 3, 2018 (TSXV: PTF) Pender Growth Fund Inc. (the “**Fund**”) announces today that it intends to seek approval of its shareholders at its upcoming annual general and special meeting (the “**Shareholders Meeting**”) authorizing the Fund to cease to be classified as a non-redeemable investment fund under securities law (the “**Proposed Reclassification**”).

As a non-redeemable investment fund, the Fund is, among other things, subject to certain restrictions under applicable securities laws on (a) owning securities which represent more than 10% of the outstanding equity securities of an issuer or more than 10% of the votes attaching to the outstanding voting securities of an issuer, (b) purchasing a security for the purpose of exercising control over the issuer of the security, (c) purchasing or holding the securities of an investment fund except an investment fund that is governed by National Instrument 81-102 - *Investment Funds*, or (d) purchasing real property (the “**Investment Restrictions**”). If the Proposed Reclassification occurs, the Fund will cease to be subject to these Investment Restrictions.

The Proposed Reclassification requires the approval of at least 50% of the votes cast by shareholders at the upcoming Shareholders Meeting, which is scheduled for 10:00 a.m. (Vancouver time) on May 23, 2017 at the Fund’s offices located at Suite 1640- 1066 West Hastings Street, Vancouver, B.C.

Full details on the Proposed Reclassification and its impact on the Fund, including the Fund’s continuous disclosure obligations and investment restrictions, will be contained in the Information Circular mailed to the shareholders of the Fund in connection with the Shareholders Meeting. Shareholders are advised to read the Information Circular carefully and in its entirety.

About the Fund

The Fund is a closed-end investment fund with a goal of growing the NAV of the Fund on a per share basis over the long-term. The Fund will utilize its small capital base, closed-end structure and long-term horizon to invest in unique situations; primarily small cap, special situations, and illiquid public and private companies.

For further information, please visit www.pendergrowthfund.com or contact:

Lucy Waters
(604) 688-1511
Toll Free: (866) 377-4743
lwaters@penderfund.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statements Regarding Forward Looking Information

This press release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian and United States securities legislation including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein, without limitation, statements relating the future operating or financial performance of the Company, are forward-looking statements.

Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this press release relate to, among other things, the completion of the Proposed Reclassification. Actual future results may differ materially. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the Fund, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation, management's discretion to not proceed with the Proposed Reclassification and the Fund's shareholders failing to approve the Proposed Reclassification. Readers should not place undue reliance on the forward-looking statements and information contained in this news release concerning these times. Except as required by law, Bearing does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.