

Covington Fund II Inc. Completes \$42 million in Shareholder Redemptions

TORONTO, ONTARIO--(Marketwire – January 18, 2016) – Covington Fund II Inc. (“The Fund”) announced today that it has received over \$42 million in shareholder redemption requests since September 1, 2015, including over \$24 million since being re-opened on January 18, 2016. The Fund has redeemed over 20% of its net asset value as of August 31, 2015, and will not be accepting further redemption requests at this time.

The Fund anticipates that it will be re-opened to redemption requests in its next fiscal year. Specific details on such future redemption opportunities will be released at a later date.

The Board has made this decision, consistent with previous communications and with the original prospectus of The Fund, because continuing to process redemption requests will not allow the Fund to operate in an efficient manner and will negatively impact shareholder value. The Board and the management team of The Fund remain focused on prudent liquidity management with a goal of both optimizing shareholder value and of generating liquidity to fund future redemption requests.

Since being closed to new investors in 2012, The Fund has had 21 successful portfolio exits and has redeemed over 50% of the outstanding units representing approximately \$180 million in assets. The Fund continues to hold investments in 32 emerging private companies and Covington remains optimistic that 2016 will offer potential exit opportunities for some of the Fund’s holdings.

The Board and the Manager will continue to provide its shareholders and their advisors with regular updates throughout 2016.

About Covington Group of Funds

Founded in 1995, Covington Capital Corporation (www.covingtonfunds.com) is one of Canada’s largest and most experienced private equity and venture capital investors. Covington currently manages approximately \$300 million in venture capital assets on behalf of institutional and retail investors, Covington invests in small-and-medium businesses throughout many industry sectors. Covington Capital Corporation is headquartered in Toronto, Ontario.

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