

Press Release

Toronto, Ontario
May 1, 2020

Covington Venture Fund Inc. – Material Change

Covington Venture Fund Inc. (the “Fund”) announced that on May 1, 2020 a material negative valuation adjustment was made to the Fund’s last venture investment holding, MIST Mobility Integrated Systems Technologies Inc. (“MMIST”) as part of the Q3 Quarterly Valuation process of the Fund. The Audit and Valuation Committee of the Fund receives and reviews a quarterly report from Covington Capital Corporation (“Covington”), the manager and investment advisor of the Fund, providing details of the valuations of the investments made with their respective portion of the investments held by the Fund, including a discussion of significant events affecting the valuation of such investments. The Audit and Valuation Committee is required to review and, if acceptable, approve the net asset value of the Fund as set out in the quarterly valuation reports prepared by Covington at the end of each quarter. In addition, the Audit and Valuation Committee is required to review and, if acceptable, approve the Weekly Valuations for any day where the net asset value per Class A Share is expected to change by more than 5%. As a result of negative market forces and events, Covington has recommended a material negative valuation adjustment greater than 5% of NAV that the Audit and Valuation Committee has approved regarding MMIST.

About Covington Group of Funds

Funded in 1995, Covington Capital Corporation (www.covingtonfunds.com) is one of Canada’s most experienced venture capital fund managers. Covington currently manages approximately \$140 million in venture capital assets on behalf of institutional and retail investors. Covington Capital Corporation is headquartered in Toronto, Ontario.

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