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NEWS RELEASE

FOR IMMEDIATE RELEASE **November 23, 2020**

Pender Growth Fund Provides Financial Highlights and Company Updates

VANCOUVER, B.C. (TSXV: PTF) Pender Growth Fund Inc. (the "Company") today announced its financial and operational results for the three months and nine months ended September 30, 2020.

Financial Highlights (Unaudited)

- Net assets per Class C common share ("Share") were $5.03 as at September 30, 2020 (December 31, 2019 - $4.19).
- Management Expense Ratio ("MER") was 2.96% for the quarter ended September 30, 2020, an improvement compared to the 3.44% MER during the same period in the prior year, primarily due to the the increase in the average value of Net Assets.
- The Company's net assets were $39.1 million as at September 30, 2020 (December 31, 2019 - $33.8 million) reflecting positive investment performance.
- Shares outstanding were 7,770,129 (December 31, 2019 – 8,083,329), a decrease from December 31, 2019 that was the result of share repurchases under the Company's Normal Course Issuer Bid ("NCIB") that was launched in Q1 2020.
- At September 30, 2020, the Company had a 38.7% weighting in private companies and a 50.0% weighting in publicly-listed companies, with 10.0% cash on hand and 1.3% other assets less liabilities.
- Net income per Share for the three months ended September 30, 2020 was $0.35 (September 30, 2019 – a loss of $0.01), primarily due to realized gains from divestments on publicly-listed portfolio companies during the period, net of fees and expenses.

PERFORMANCE (based on Net assets per Share*)	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception
Class C	8.0%	7.8%	28.0%	3.7%	23.5%	16.6%

**It should be noted that total shareholders' equity per share which is calculated using IFRS for financial reporting purposes may be different from the monthly reported net asset value per share.*

Portfolio Highlights

During the third quarter of 2020 we continued to be active in public markets where we saw what we believed to be strong opportunities both in longer-term compounders and potentially shorter-term close the discount situations. We are generally operating at close to fully invested, with enough liquidity to take advantage of situations as they arise. As always, we are working closely with our private portfolio companies, especially during these times of challenge and opportunity.

We continue to acquire shares of the Company in the market under our NCIB because we believe the shares are trading at a significant discount to intrinsic value. We believe that the Company is particularly wellpositioned today to pursue its investment objectives in the context of current market volatility and valuations in micro and small cap stocks in North America.

We encourage you to refer to the Company's MD&A and quarterly unaudited financial statements for September 30, 2020 and the annual audited financial statements for the year-ended December 31, 2019 and other disclosures available under the Company's profile at www.sedar.com for additional information.

About the Company

The Company's objective is to achieve long-term capital appreciation for its investors. The Company utilizes its small capital base and long-term horizon to invest in unique situations; primarily small cap, special situations, and illiquid public and private companies. The Company trades on the TSX Venture Exchange under the symbol "PTF".

Please visit www.pendergrowthfund.com.

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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.

Forward-Looking Information

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to the business of the Company and the environment in which it operates. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts and projections and include, without limitation, statements regarding the Company's decreased portfolio risk and future investment opportunities. The forward-looking statements in this news release are based on certain assumptions; they are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading "Risk Factors" in the Company's annual information form available at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.