



Hercules Technology Growth Capital Announces Successful Fund Raising Activities from Select Life Sciences Portfolio Companies Despite Challenging Economy

Novasys Medical and AVEO Pharmaceuticals secure additional equity capital while Portola Pharmaceuticals enters into Worldwide License Agreement with Merck & Co., Inc.

Palo Alto, Calif., July 27, 2009 - Hercules Technology Growth Capital, Inc. (NASDAQ: HTGC), the leading specialty finance company providing venture debt and equity to venture capital and private equity-backed technology and life science companies at all stages of development, today announced that a select group of its Life Sciences portfolio companies, Novasys Medical and AVEO Pharmaceuticals have each successfully raised additional equity capital. Additionally, Portola Pharmaceuticals and Merck & Co. entered into a worldwide license agreement. These three Life Sciences portfolio companies continue to show progress toward development milestones despite continued challenges within the current market.

"There is no question that we continue to experience a tough capital raising environment for many of our portfolio companies; however, we are also starting to see some very encouraging signs of improvements as evidenced by the successful capital raising and strategic partnerships from select portfolio companies, especially in the Life Sciences sector," said Manuel A. Henriquez, co-founder, chairman and chief executive officer of Hercules. "We are still seeing a very long capital fund raising process for many of our portfolio companies, which we expect will continue through the remainder of 2009, adding funding uncertainty to a select group of our companies. That said, select Hercules' portfolio companies continue to successfully raise capital and reach significant milestones in the face of a myriad of challenges as a result of our distressed economic environment. We remain committed to supporting and working with many of our portfolio companies in the wake of a difficult economic environment especially those companies that demonstrate strength and quality in their business models," continued Henriquez.

Summary of Portfolio Companies Securing Additional Capital:

Novasys Medical, Inc., developer of the Renessa® treatment for female stress urinary incontinence, recently announced in July 2009, that it received \$18.95 million in the second tranche of its previously announced Series D preferred stock financing. Hercules participated in the second tranche as well as the first tranche in May 2008.

AVEO Pharmaceuticals, Inc., a late-stage biopharmaceutical company focused on the discovery and development of novel, targeted cancer therapeutics, recently announced in July 2009, the expansion of a drug discovery and translational research collaboration alliance with OSI Pharmaceuticals, Inc. (NASDAQ:OSIP). Under the terms of the expanded alliance, OSI will pay AVEO a total of \$20 million at closing, \$5 million as an upfront cash payment and \$15 million of which is the purchase of additional equity in AVEO. In addition, OSI will provide AVEO research funding over the next two years and the potential to achieve additional royalties and milestones.

Portola Pharmaceuticals, Inc., a developer of therapeutics for acute and chronic cardiovascular and vascular disease, recently announced in July 2009, that the company has signed an exclusive global collaboration and license agreement with Merck & Co., Inc., for the development and commercialization of betrixaban, an investigational oral Factor Xa inhibitor anticoagulant currently in Phase II clinical development for the prevention of stroke in patients with atrial fibrillation (SPAF). In return for an exclusive worldwide license to betrixaban, Merck will pay Portola an initial fee of \$50 million. Portola is eligible to receive additional cash payments totaling up to \$420 million upon achievement of certain development, regulatory and commercialization milestones, as well as double-digit royalties on worldwide sales of betrixaban, if approved.

About Hercules Technology Growth Capital, Inc.:

Hercules Technology Growth Capital, Inc. is a NASDAQ traded specialty finance company providing debt and equity growth capital to technology and life science companies at all stages of development. Founded in December 2003, the company primarily finances privately held companies backed by leading venture capital and private equity firms. Hercules invests in a broad range of ventures active in technology and life science industries and offers a full suite of growth capital products at all levels of the capital structure. The company is headquartered in Palo Alto, Calif. and has additional offices in the Boston, Boulder and Chicago areas. Providing capital to publicly-traded or privately-held companies backed by leading venture capital and private equity firms involves a high degree of credit risk and may result in potential losses of capital. For more information, please visit www.htgc.com.

Companies interested in learning more about financing opportunities should contact info@htgc.com, or call 650.289.3060.

Forward-Looking Statements:

The statements contained in this release that are not purely historical are forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to uncertainties and other factors that could cause actual results to differ materially from those expressed in the forward-looking statements including, without limitation, the risks, uncertainties, including the uncertainties surrounding the current market turbulence, and other factors we identify from time to time in our filings with the Securities

and Exchange Commission. Although we believe that the assumptions on which these forward-looking statements are reasonable, any of those assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions also could be incorrect. You should not place undue reliance on these forward-looking statements. The forward-looking statements contained in this release are made as of the date hereof, and Hercules assumes no obligation to update the forward-looking statements for subsequent events.

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