May 3, 2018

FIRST QUARTER 2018 INVESTOR PRESENTATION

Financing the Growth of Tomorrow's Companies Today™

Hercules® CAPITAL

HTGC LISTED NYSE

IMPORTANT NOTICE: FORWARD LOOKING STATEMENTS

This presentation may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. You should understand that under Section 27A(b)(2)(B) of the Securities Act of 1933, as amended, and Section 21E(b)(2)(B) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 do not apply to forward-looking statements made in periodic reports we file under the Exchange Act.

The information disclosed in this presentation is made as of the date hereof and reflects Hercules’ current assessment of its financial performance for the period reported. Actual financial results filed with the Securities and Exchange Commission in the future may differ from those contained herein in the event of additional adjustments recorded prior to the filing of its financial statements.

This presentation may contain “forward-looking statements.” These forward-looking statements include comments with respect to our financial objectives, loan portfolio growth, strategies and results of our operations.

However, by their nature, these forward-looking statements involve numerous assumptions, uncertainties and risks, both general and specific. The risk exists that these statements may not be fulfilled. We caution readers of this presentation not to place undue reliance on these forward-looking statements as a number of factors could cause future Company results to differ materially from these statements.

Forward-looking statements may be influenced in particular by factors such as fluctuations in interest rates and stock indices, the effects of competition in the areas in which we operate, and changes in economic, political and regulatory conditions. We caution that the foregoing list is not exhaustive.

When relying on forward-looking statements to make decisions, investors should carefully consider the aforementioned factors as well as other uncertainties and events. Historical results discussed in this presentation are not indicative of future results. This presentation should be read in conjunction with our recent SEC filings.

May 3, 2018

FIRST QUARTER 2018 INVESTOR PRESENTATION

- Key Performance Highlights
- Company & Strategic Overview
- Financial Highlights
- Portfolio Highlights
- Venture Capital Market Opportunity
- Analyst Coverage
- Supplemental Information

KEY PERFORMANCE HIGHLIGHTS

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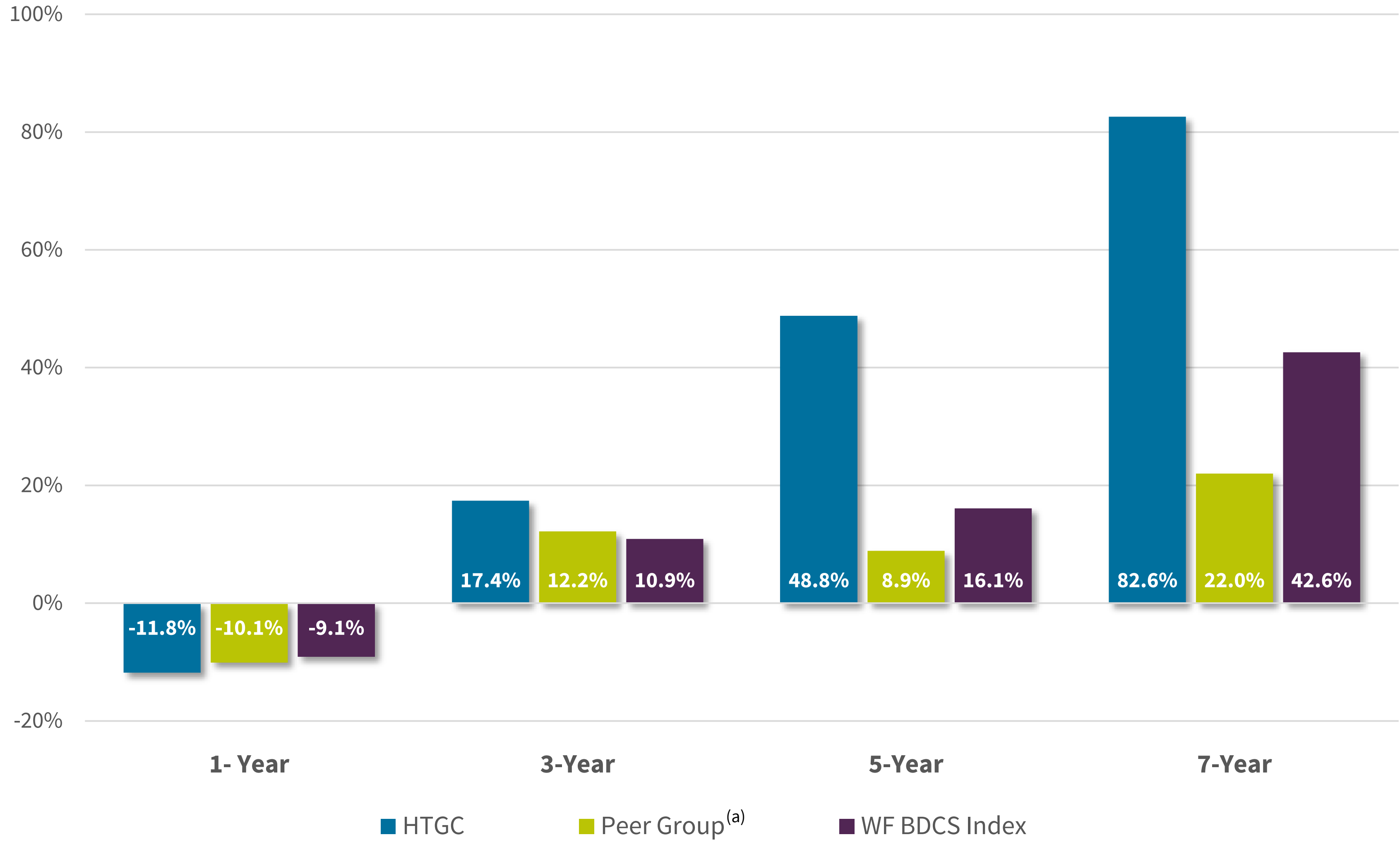
Q1 2018 HIGHLIGHTS

Robust Earnings	• Net Investment Income ("NII") of $26.1M, up 15.0% Y-Y • Total Investment Income of $48.7M, up 5.0% Y-Y • NII per share of $0.31/DNOI per share of $0.34 • 51 consecutive quarters of distributions since IPO
Strong Shareholder Returns	• 1YR/3YR/5YR Total Shareholder Returns[1]: (11.8%)/17.4%/48.8% • ROAE[2]: 12.7% • ROAA[2]: 6.5% • Net Interest Margin ("NIM"): 10.5%
High-Yield Portfolio of Earning Assets	• Total Debt Investments: $1.37B at cost • Effective Yield: 14.3%
Industry-Leading Originations Platform	• $7.6B in total debt commitments since inception • Cumulative Total Net Realized (Loss) since inception of ($33.9M) • Total debt & equity commitments: $266.0M • Gross debt & equity fundings: $236.3M
Strong Liquidity and Balance Sheet	• $313.2M available liquidity • $231.6M additional leverage capacity • Regulatory leverage and net regulatory leverage: 72.0% and 57.8%[3]
Strong Capital Raising Position	• Price-to-NAV: 1.28x[4] • "ATM" Equity and Debt Distribution Agreements • Investment Grade Credit Ratings: S&P: BBB- | KBRA: BBB+

(1) Source: S&P CapIQ as of 3/31/18
(2) Based on NII, excludes realized and unrealized gains/losses
(3) Net regulatory leverage is defined as regulatory leverage less cash balance at period end
(4) As of April 30, 2018

TOTAL SHAREHOLDER RETURN % (TSR)[b] vs. BDCs & INDEXES

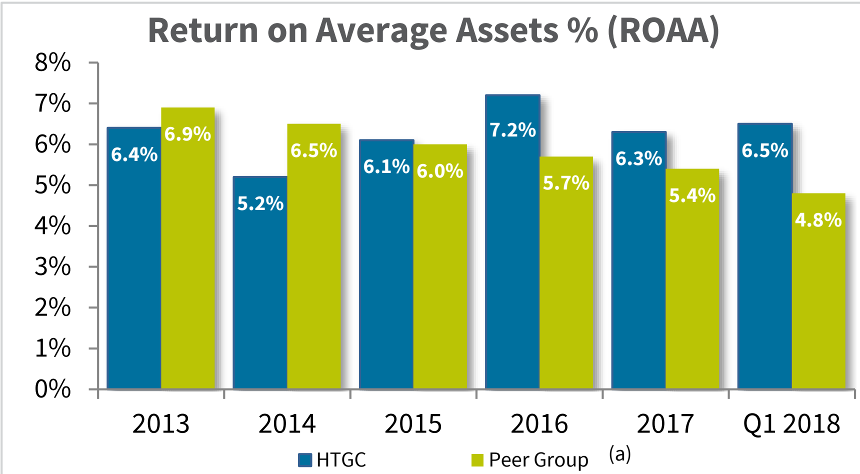


(a) Peer Group: AINV, ARCC, BKCC, OCSL, FSIC, GBDC, GSBD, KCAP, MAIN, MCC, NMFC, OXSQ, PNNT, PSEC, SLRC, TCAP, TCPC, TCRD, TSLX

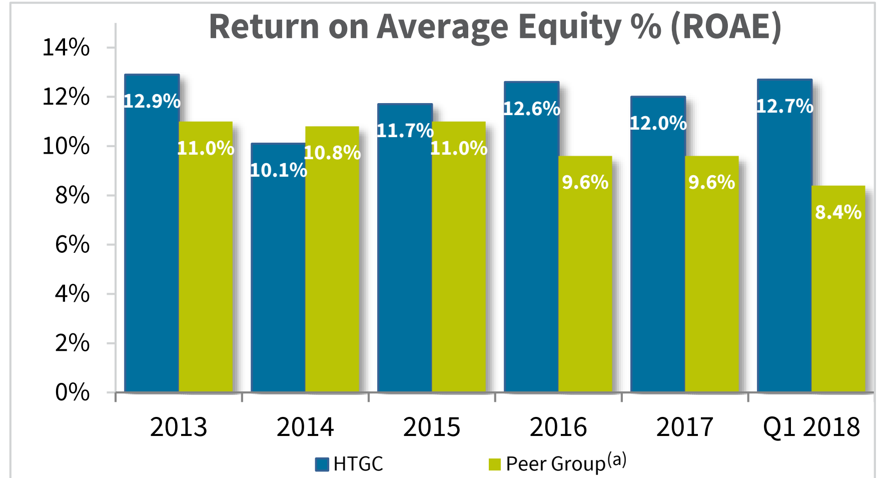
(b) TSR is defined as stock appreciation plus distributed dividend distributions

Source: S&P Capital IQ as of March 31, 2018

DELIVERING STRONG SHAREHOLDER RETURNS

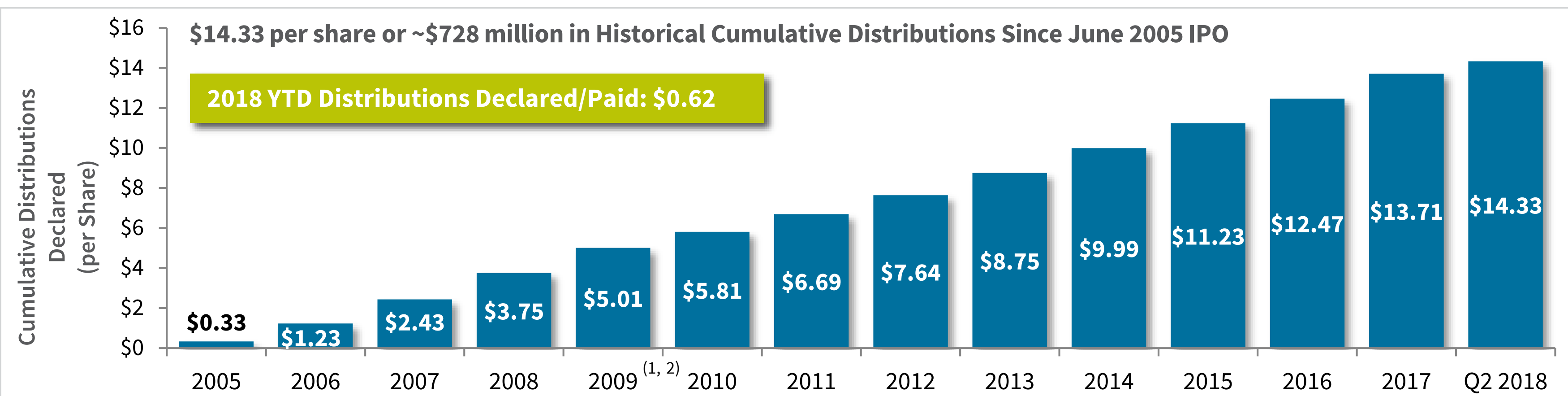


Source: S&P Capital IQ as of 3/31/18. Return on Average Assets excluding cash. NII divided by average of beginning of period total assets excluding cash and end of period total assets excluding cash.



Source: S&P Capital IQ as of 3/31/18. Return on Average Equity based on NII. NII divided by average of beginning of period equity and end of period equity.

(a) Peer Group: AINV, ARCC, BKCC, OCSL, FSIC, GBDC, GSBD, KCAP, MAIN, MCC, NMFC, OXSQ, PNNT, PSEC, SLRC, TCAP, TCPC, TCRD, TSLX

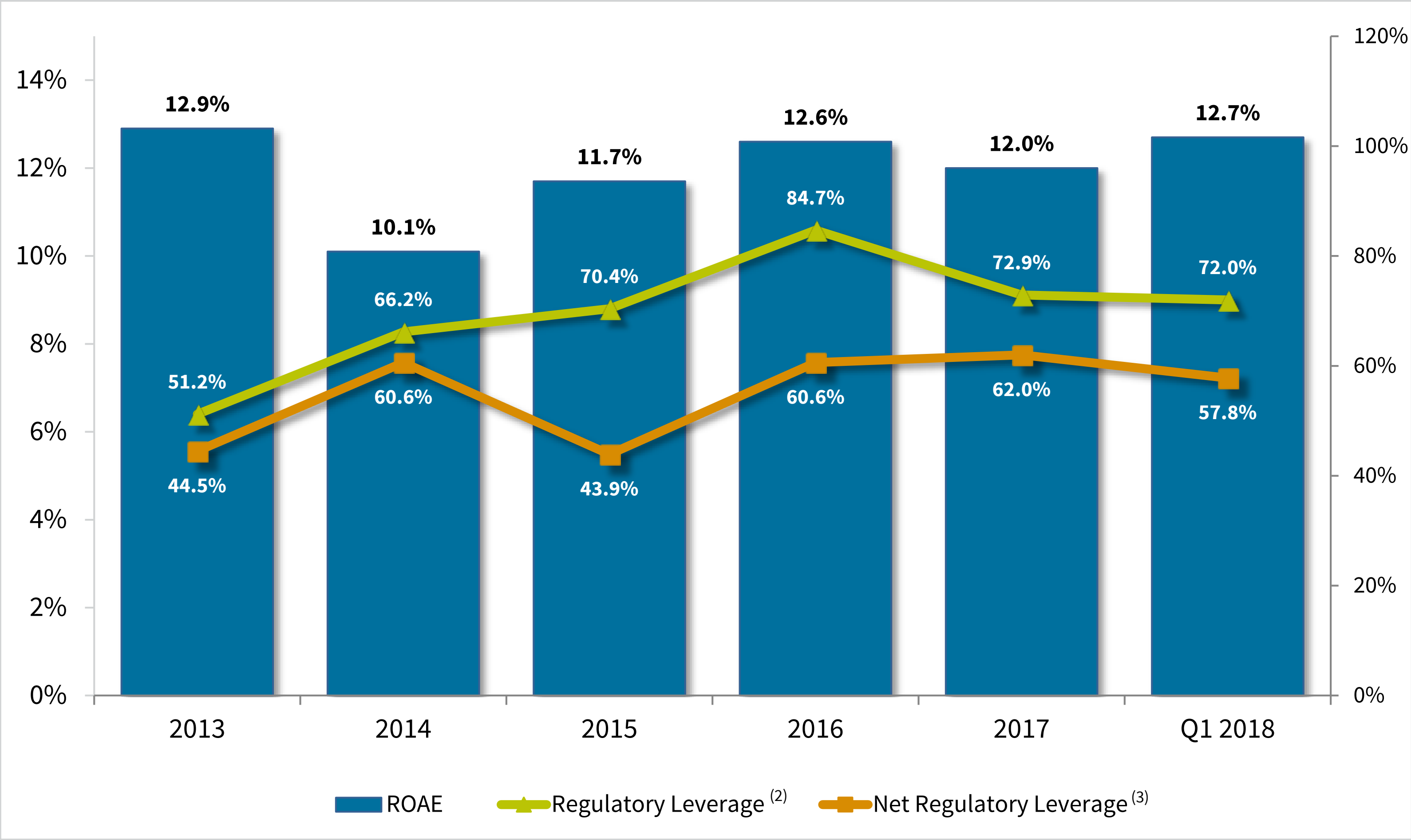


(1) Q1 09 distribution was paid in 10% cash and 90% stock; (2) Includes special $0.04 distribution paid in December 2009

(2) Note: The Yield Calculation may include a potential tax return of capital. Any portion of a distribution that is ultimately deemed to be a tax return of capital should not be considered. The determination of the tax attributes of the Company's distributions is made annually as of the end of the Company's fiscal year based upon its taxable income for the full year and distributions paid for the full year. Therefore, a determination made on a quarterly basis may not be representative of the actual tax attributes of its distributions for a full year. The tax attributes of its distributions for the years ended December 31, 2008 through March 31, 2018 were paid 100% from earnings and profits; however, there can be no certainty to shareholders that this determination is representative of what the tax attributes of its 2018 distributions to shareholders will actually be.

AVAILABLE LEVERAGE FOR POTENTIAL EARNINGS GROWTH

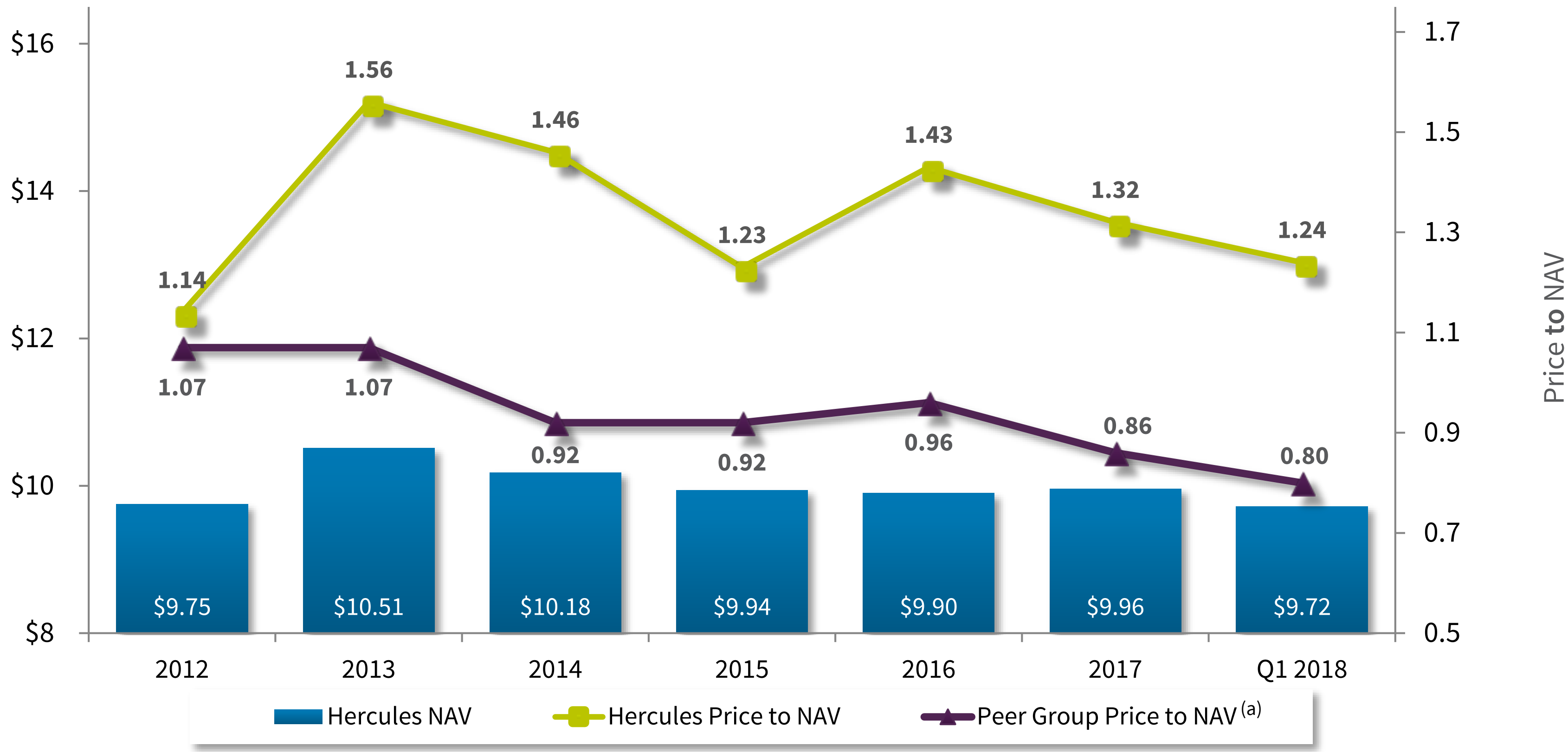
Leverage to Return on Average Equity % (ROAE)[1]



(1) Source: S&P Capital IQ as of 12/31/17. Return on Average Equity based on NII. NII divided by average of beginning of period equity and end of period equity.
(2) Excludes SBA
(3) Excludes SBA and cash

HERCULES CONSISTENTLY MAINTAINS A PREMIUM TO NAV

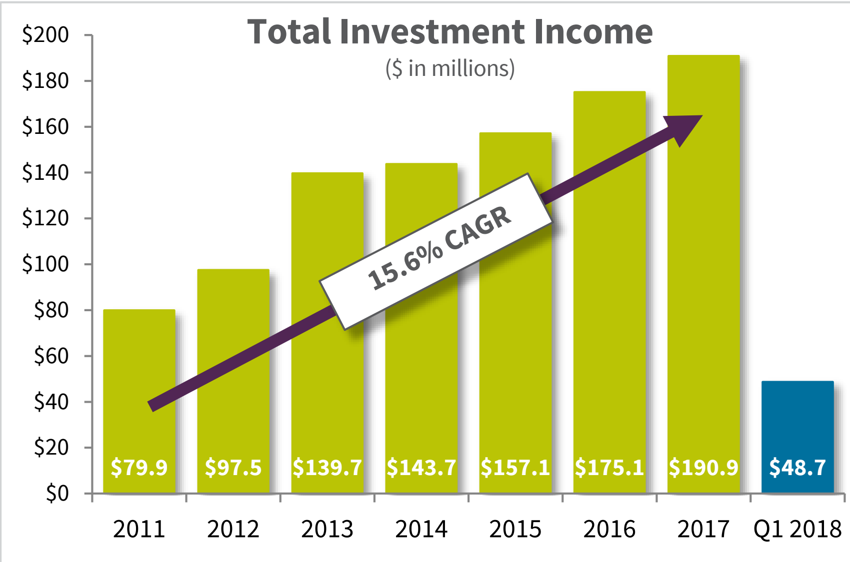
CREATES A STRONG CAPITAL RAISING POSITION TO SUPPORT GROWTH

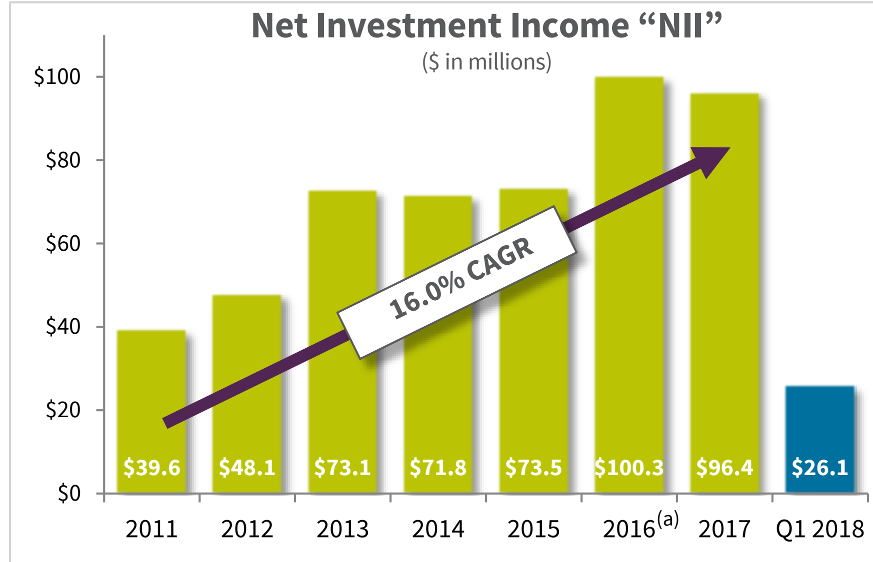


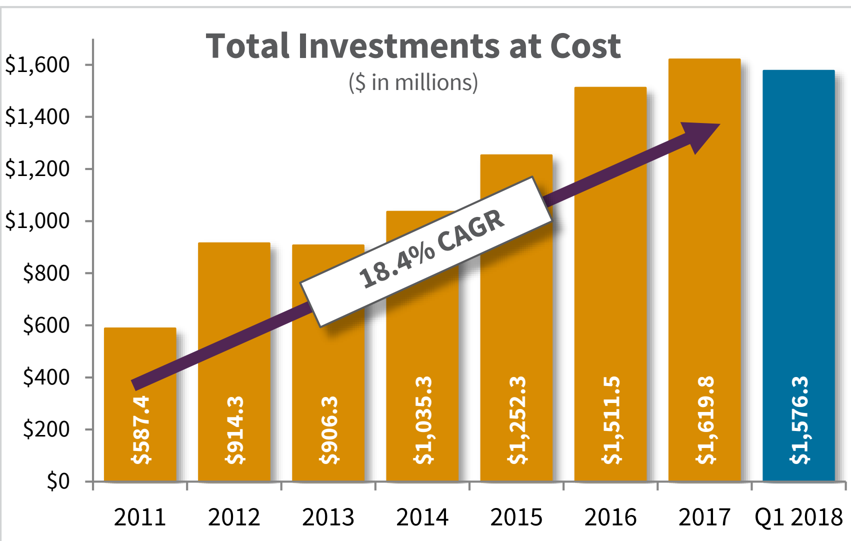
(a) Peer Group: AINV, ARCC, BKCC, OCSL, FSIC, GBDC, GSBD, KCAP, MAIN, MCC, NMFC, OXSQ, PNNT, PSEC, SLRC, TCAP, TCPC, TCRD, TSLX

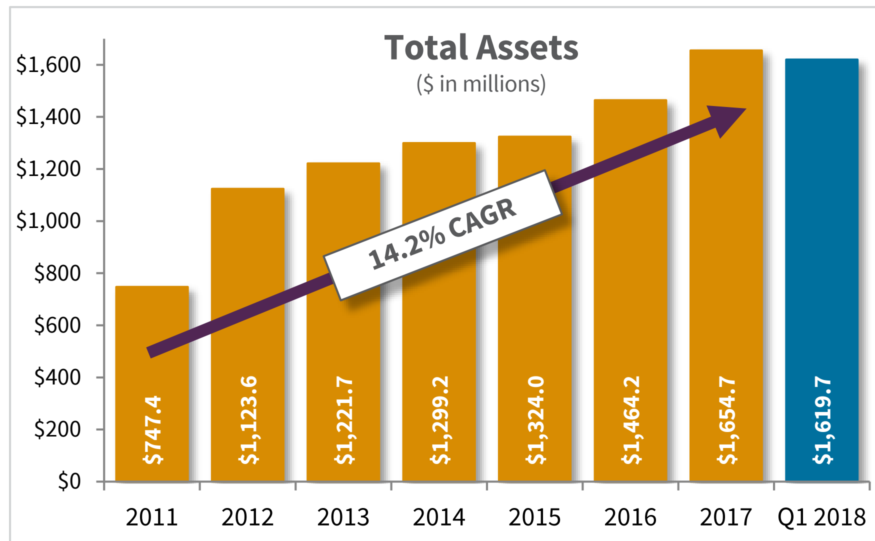
Note: Source S&P CapIQ as of 3/31/18. Stock price based on closing price on last trading day of each calendar year or relative quarter.

HERCULES KEY PERFORMANCE HIGHLIGHTS





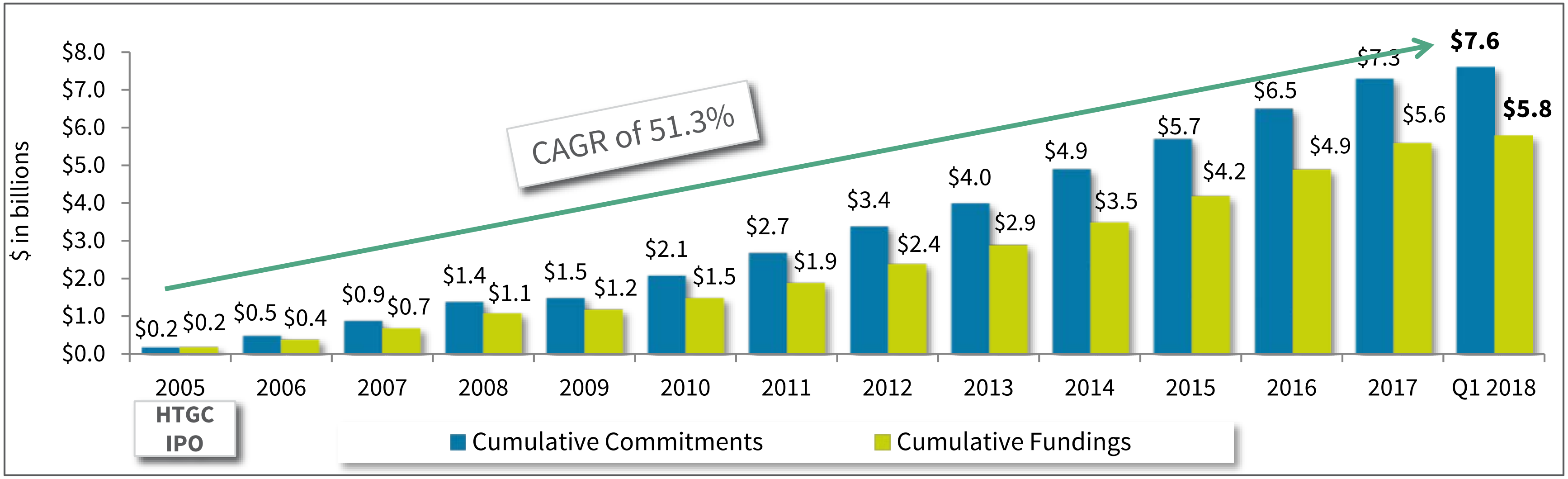




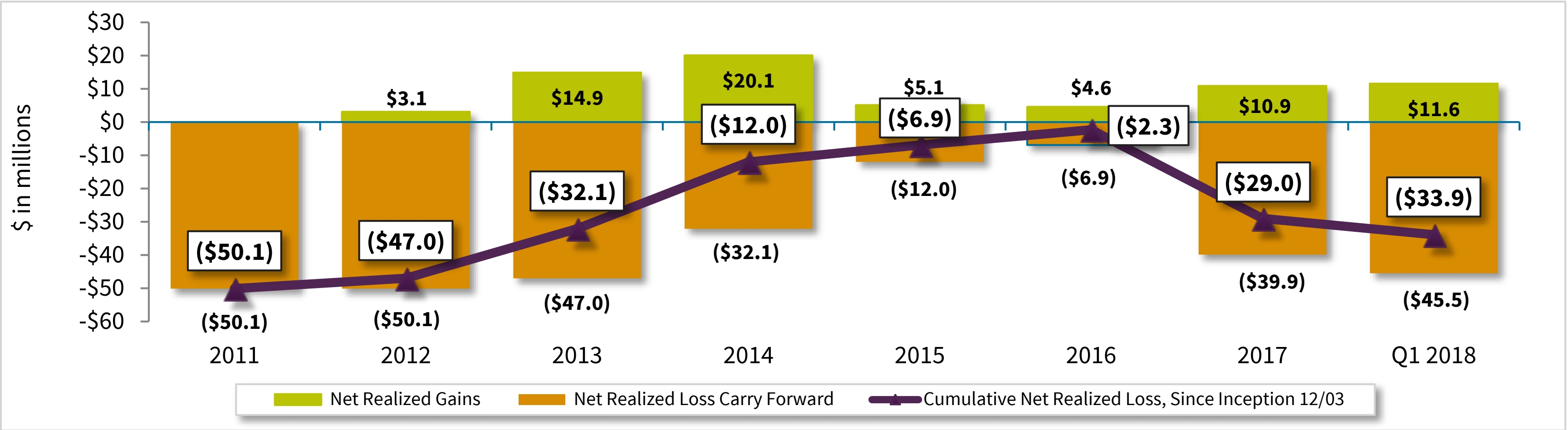
(a) Amount includes the one-time benefit of a litigation settlement of $8.0 million

PORTFOLIO GROWTH WITH UNDERWRITING DISCIPLINE

Cumulative Debt Commitment and Fundings, Since Inception 12/03

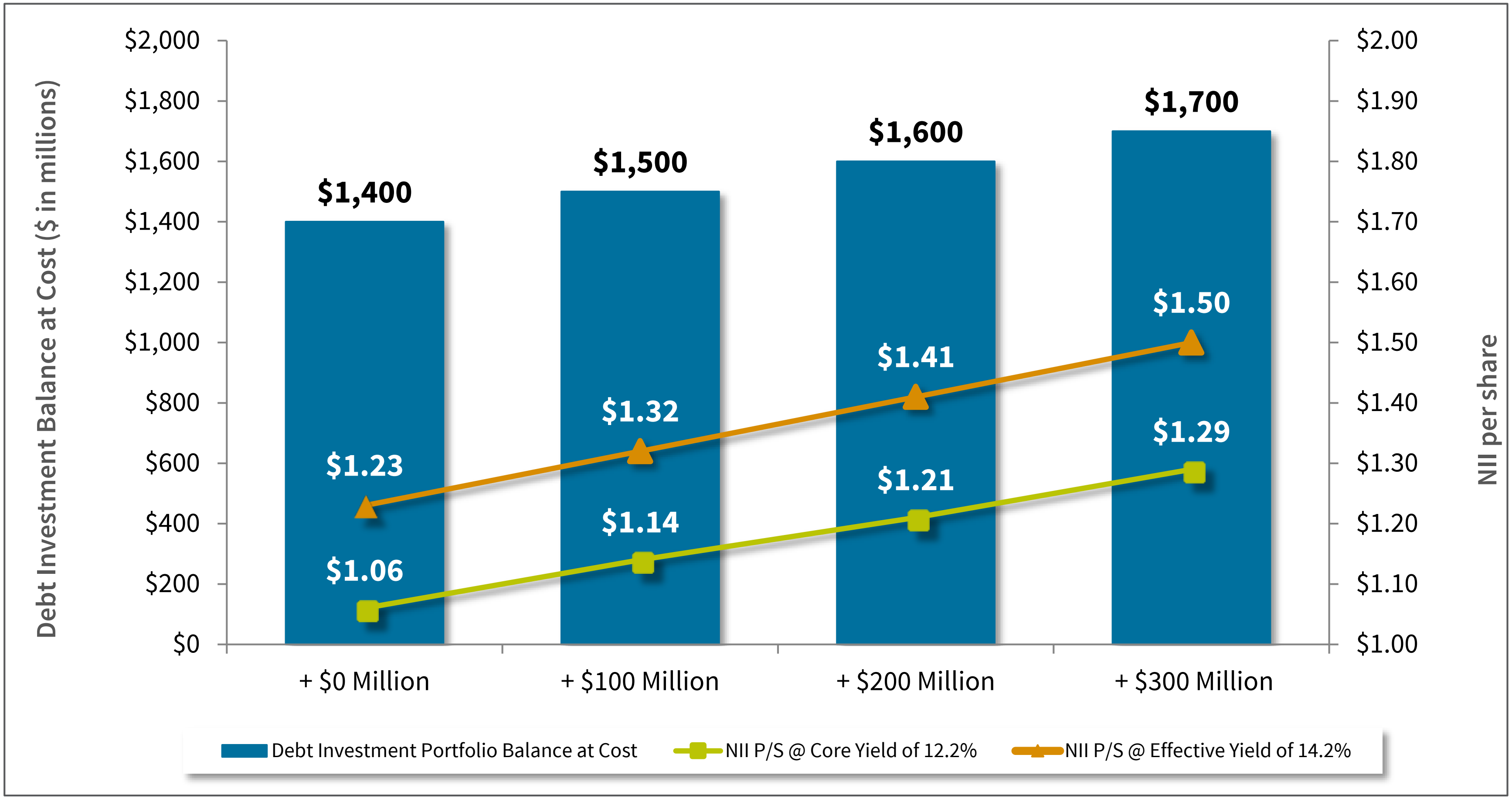


Cumulative Total Aggregate Net Realized Gains/(Losses), Since Inception 12/03



PORTFOLIO GROWTH LEADS TO DIVIDEND GROWTH THROUGH NII

Illustration: A growing debt investment portfolio provides potential for future increased dividend payout(1)



(1) Assumes Debt Investment portfolio of $1.4 billion, at cost, constant effective yield, NII margin of 52.0% and constant weighted average shares of 84.6million, as of March 31, 2018. Projections are subject to change due to impact from active participation in the Company's equity ATM program.

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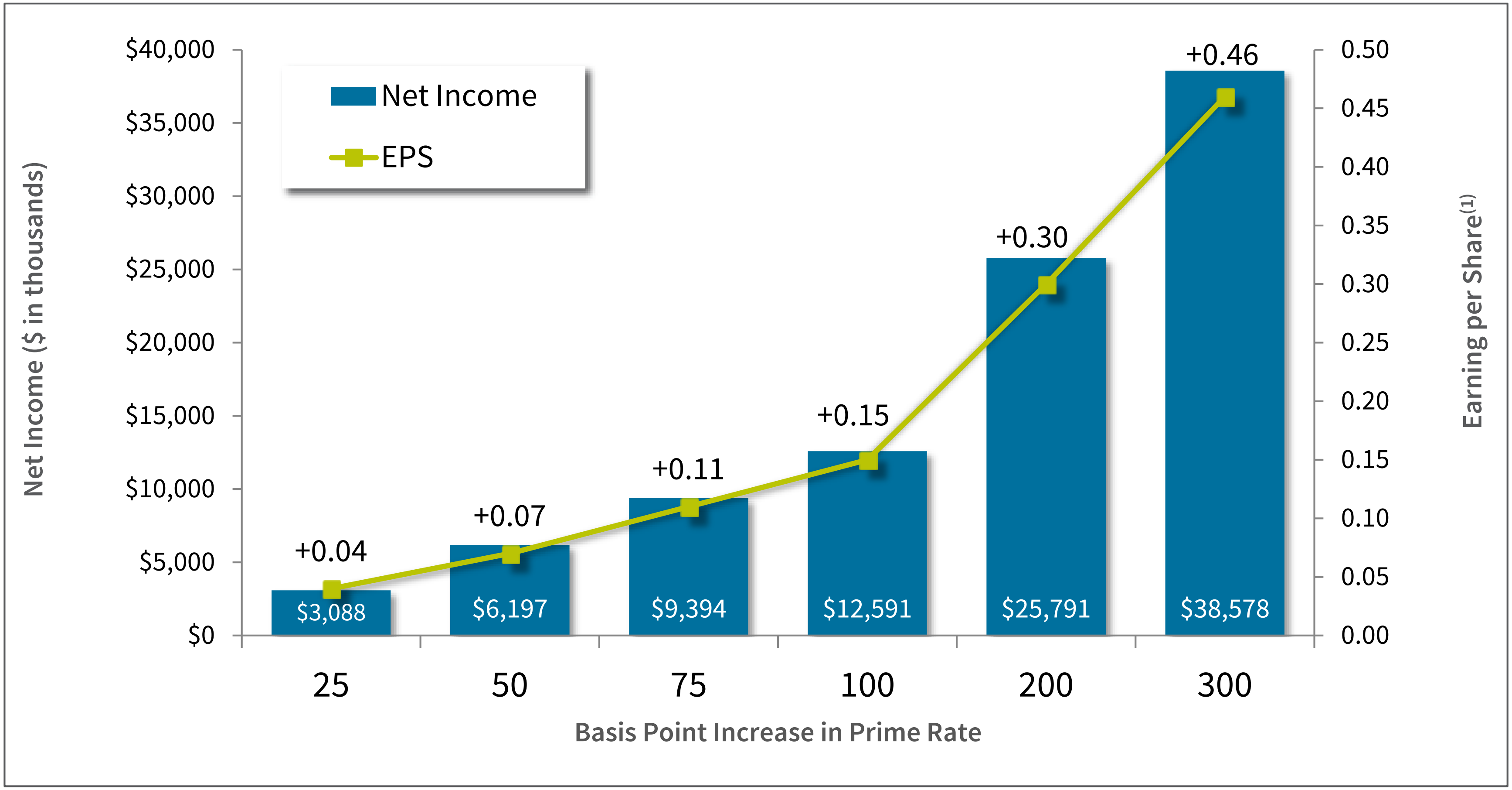
RISING INTEREST RATES & HIGH ASSET SENSITIVITY WILL BENEFIT HERCULES SIGNIFICANTLY

We anticipate each 25 bps, or 0.25%, increase in the Prime Rate to contribute ~$3.1 million to Net Interest Income, or $0.04 per share annually



(1) EPS calculated on basic weighted shares outstanding of 84.6 million and a static debt investment portfolio as of March 31, 2018. Estimates are also subject to change due to impact from potential participation in the Company's equity ATM program.

COMPANY & STRATEGIC OVERVIEW

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CAPITAL

HERCULES AT-A-GLANCE

LARGEST BUSINESS DEVELOPMENT COMPANY (BDC) FOCUSED ON PROVIDING FINANCING TO HIGH-GROWTH VENTURE CAPITAL-BACKED COMPANIES

$1.06 BILLION	$1.37 BILLION	134 COMPANIES	$313.2 MILLION
MARKET CAPITALIZATION	DEBT INVESTMENT PORTFOLIO	WARRANT & EQUITY PORTFOLIO	LIQUIDITY & BALANCE SHEET
FOUNDED DECEMBER 2003 **IPO: June 2005 "HTGC"**	DEBT INVESTMENT COST BASIS **$1.37 billion**	WARRANT HOLDINGS IN **134 companies**	AVAILABLE LIQUIDITY TO INVEST[2] **$313.2 million**
ENTERPRISE VALUE **$1.7 billion**[1]	DEBT INVESTMENT FAIR VALUE **$1.34 billion**	WARRANT GAAP FAIR VALUE **$33.3 million**	REGULATORY LEVERAGE **72.0% / 57.8%** net of cash
MARKET CAPITALIZATION **$1.06 billion**[1]	EFFECTIVE YIELD **14.3%**	WARRANT GAAP COST **$42.8 million**	ADDITIONAL DEBT CAPACITY **$231.6 million**
NET ASSET VALUE PER SHARE **$9.72 as of 3/31/18**	DEBT INVESTMENTS IN **85 companies**	EQUITY HOLDINGS IN **53 companies**	INVESTMENT GRADE RATINGS **S&P: BBB-** **KBRA: BBB+**
HISTORICAL PRICE/NAV **~1.3x to ~1.6x range**	SHORT TERM MATURITIES **36-42 months**	EQUITY GAAP FAIR VALUE **$114.0 million**	SECURITIZATION INVESTMENT GRADE RATINGS **KBRA: A(sf)**
CURRENT PRICE/NAV **1.28x**[1]	INVESTMENT SIZE **$5 to $100 million**	EQUITY GAAP COST **$164.9 million**	

(1) As of April 30, 2018
(2) Subject to existing terms and covenants

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WHY IS HERCULES DIFFERENT THAN OTHER BDCs

WE INVEST IN INNOVATIVE VENTURE GROWTH-STAGE COMPANIES

What We **Don't Do** and What We Are Not

- No oil and gas exposure
- No CLO exposure
- No CMBS or RMBS exposure
- No metals or minerals exposure

What We **Do**

- We focus primarily on pre-IPO and M&A, innovative high-growth venture capital backed companies at their expansion (venture growth) and established stages in a broadly diversified variety of technology, life sciences and sustainable and renewable technology industries
- Highly asset sensitive debt investment portfolio – 96.5% floating rate loans and with interest rate floors[(1)]
- We are generally the only lender and 85.6% are "true" first lien senior secured[(1)]
- Substantially all of our debt investments include warrants for potential additional total return
- Substantially all of our debt investments have short term amortizing maturities (36-42 months)
- Focused on strong and sustainable shareholder returns
- Disciplined, proven investment philosophy with 14 years of strong credit performance history

(1) As of March 31, 2018

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STRATEGIC ACCESS TO EQUITY AND DEBT CAPITAL MARKETS

HERCULES' SUCCESSFUL ATM DISTRIBUTION PROGRAMS

Hercules' At-the-Market "ATM" Equity and Debt Distribution Agreements

- Equity Distribution Agreement: Up to a total of 12 million shares of common stock
- Debt Distribution Agreement: Up to $150.0 million of 6.25% Notes due 2024(1)

The Benefits and Competitive Advantages

- "Just-in-Time" access provides control on the timing, pricing and amount of capital raised, with full control over leverage ratios
- Ideal for raising growth capital when needed, proceeds expeditiously invested in new investments
- Exceptionally low and cost effective access to capital markets
- Equity issuances are highly accretive to NAV; HTGC trades at a significant premium to NAV

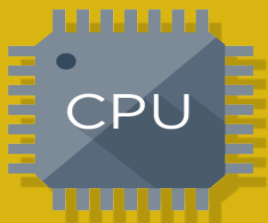
The Results

- Equity ATM Capital Program Q1 2018: sold 478,000 shares for total net proceeds of ~ $6.0 million.
- Equity ATM Capital Program QTD Q2 2018: sold 679,800 shares for total net proceeds of ~ $8.2 million; as of April 30, 2018, ~ 9.2 million shares remain available for issuance and sale

(1) The Debt Distribution Agreement is in process of being removed as of March 31, 2018

WE ARE AT CENTER STAGE OF THE INNOVATION ECONOMY

HERCULES HAS DOMAIN EXPERTISE IN FOUR SPECIALIZED LENDING GROUPS
"WE ARE NOT GENERALISTS"



Technology

Life Sciences

Sustainable and Renewable Technology

Special Situations

We Invest at the Expansion "Venture Growth" and Established Stage

Over $7.6 billion in total debt commitments to over 420 companies since inception

Offices in key venture capital markets: CA | MA | NY | DC | IL | CT

Over 1000 different VC & PE firms, financial investors

Over 130 portfolio companies completed/announced an IPO or M&A event since inception

FINANCIAL HIGHLIGHTS

INCOME STATEMENT: Q1 2018 VS. Q1 2017 SUMMARY RESULTS

($ in 000's, except per share amounts)	Three Months Ended March 31, 2018 (unaudited)	Three Months Ended March 31, 2017 (unaudited)	Year/Year Change
Interest Income	$ 42,981	$ 42,861	0%
Fee Income	5,719	3,504	63%
Total Investment Income	**48,700**	**46,365**	**5%**
Interest and Loan Fees	10,561	12,445	-15%
General and Administrative	4,009	4,064	-1%
Employee Compensation	8,067	7,178	12%
Total Operating Expenses	**22,637**	**23,687**	**-4%**
Pre-Tax Net Investment Income-NII	**26,063**	**22,678**	**15%**
Net Realized and Unrealized Gain / (Loss)	(20,117)	(28,266)	-29%
Net Increase(decrease) in Net Assets from Operations	**5,946**	**(5,588)**	**-206%**
NII - Net Investment Income per Share (Basic)	$ 0.31	$ 0.28	11%
DNOI - Distributable Net Operating Income per Share	$ 0.34	$ 0.30	13%
Weighted Average Shares Outstanding - Basic	84,596	81,420	4%

CURRENT & HISTORICAL INCOME STATEMENTS

($ in 000's, except per share amounts)	Three Months Ended March 31, 2018	Twelve Months Ended December 31, 2017	2016	2015
Interest Income	$ 42,981	$ 172,196	$ 158,727	$ 140,266
Fee Income	5,719	18,684	16,324	16,866
Total Investment Income	**48,700**	**190,880**	**175,051**	**157,132**
Interest and Loan Fees	10,561	46,585	37,058	36,889
General and Administrative	4,009	16,105	16,106	16,658
Employee Compensation	8,067	31,746	29,543	30,083
Total Operating Expenses	**22,637**	**94,436**	**82,707**	**86,630**
Other Income	-	-	8,000	(1)
Pre-Tax Net Investment Income - NII	**26,063**	**96,444**	**100,344**	**73,501**
Net Realized and Unrealized Gain / (Loss)	(20,117)	(17,446)	(31,641)	(30,585)
Net Increase in Net Assets from Operations	**$ 5,946**	**$ 78,998**	**$ 68,703**	**$ 42,916**
NII - Net Investment Income per Share (Basic)	**$ 0.31**	**$ 1.16**	**$ 1.34**	**$ 1.04**
DNOI - Distributable Net Operating Income per Share	**$ 0.34**	**$ 1.26**	**$ 1.45**	**$ 1.19**
Weighted Average Shares Outstanding - Basic	**84,596**	**82,519**	**73,753**	**69,479**

CURRENT & HISTORICAL BALANCE SHEET

($ in 000's, except per share amounts)	March 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
ASSETS				
Investments	**$ 1,483,578**	$ 1,542,214	$ 1,423,942	$ 1,200,638
Cash and cash equivalents	118,228	91,309	13,044	95,196
Restricted cash	3,632	3,686	8,322	9,191
Interest receivable	11,087	12,262	11,614	9,239
Other assets	3,187	5,244	7,282	9,720
Total Assets	**$ 1,619,712**	$ 1,654,715	$ 1,464,204	$ 1,323,984
LIABILITIES				
Accounts Payable and Accrued Liabilites	18,789	26,896	21,463	17,241
Credit Facilities	-	-	5,016	50,000
Convertible Note 2022	223,878	223,488	-	17,478
2021 Asset-Backed Notes	33,156	48,650	107,972	126,995
2019 Notes	-	-	108,818	108,179
2024 Notes	179,161	179,001	245,490	100,128
Long-term SBA Debentures	188,299	188,141	187,501	186,829
2022 Notes	147,698	147,572		
Total Liabilites	**$ 790,981**	$ 813,748	$ 676,260	$ 606,850
Net Assets	**$ 828,731**	$ 840,967	$ 787,944	$ 717,134
Shares Outstanding	**85,239**	84,424	79,555	72,118
Net Assets per Share	**$ 9.72**	$ 9.96	$ 9.90	$ 9.94

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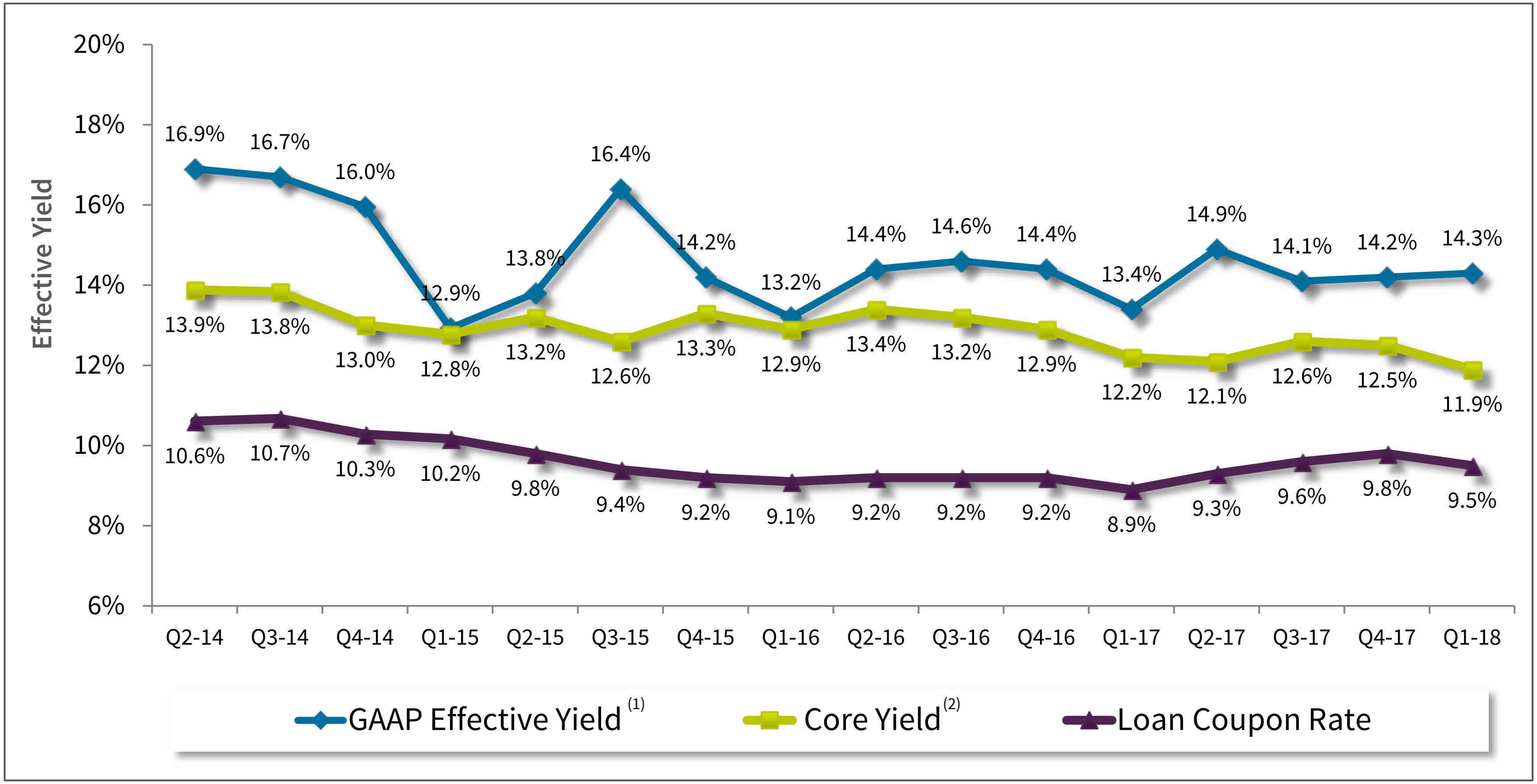
EFFECTIVE YIELD VS. CORE YIELD – LEADS TO STRONG EARNINGS

MEDIAN CORE YIELD FROM Q2 2014 TO Q1 2018: 12.9%

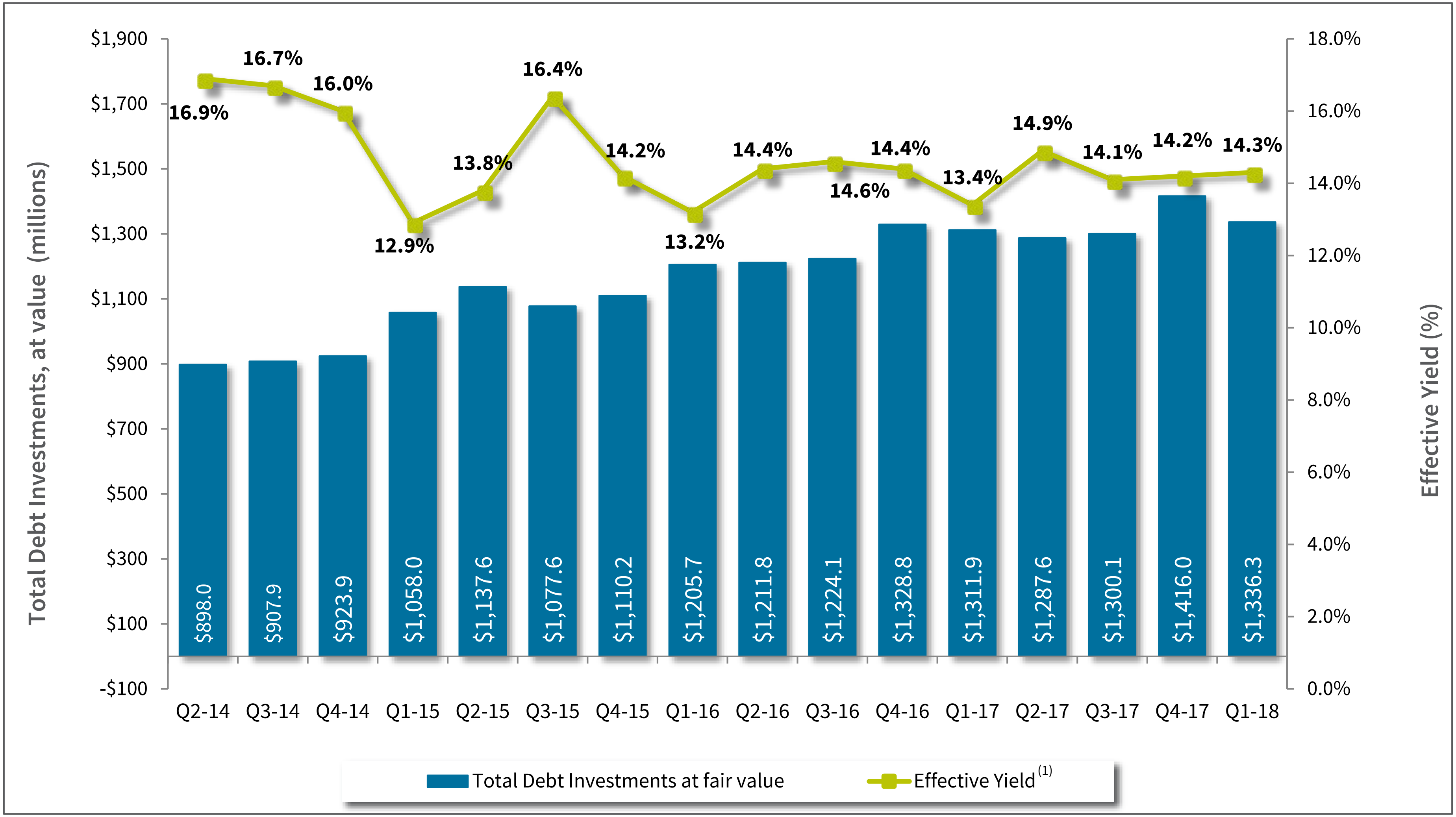


(1) Effective Yield is inclusive of all fees, including all realized unamortized fees and all realized transaction fees including but not limited to amendment fees and prepayment fees, and is calculated based on the weighted average principal balance of loans outstanding on a daily basis

(2) Core Yield excludes Early Repayments and One-Time Fees, and includes income and fees from expired commitments

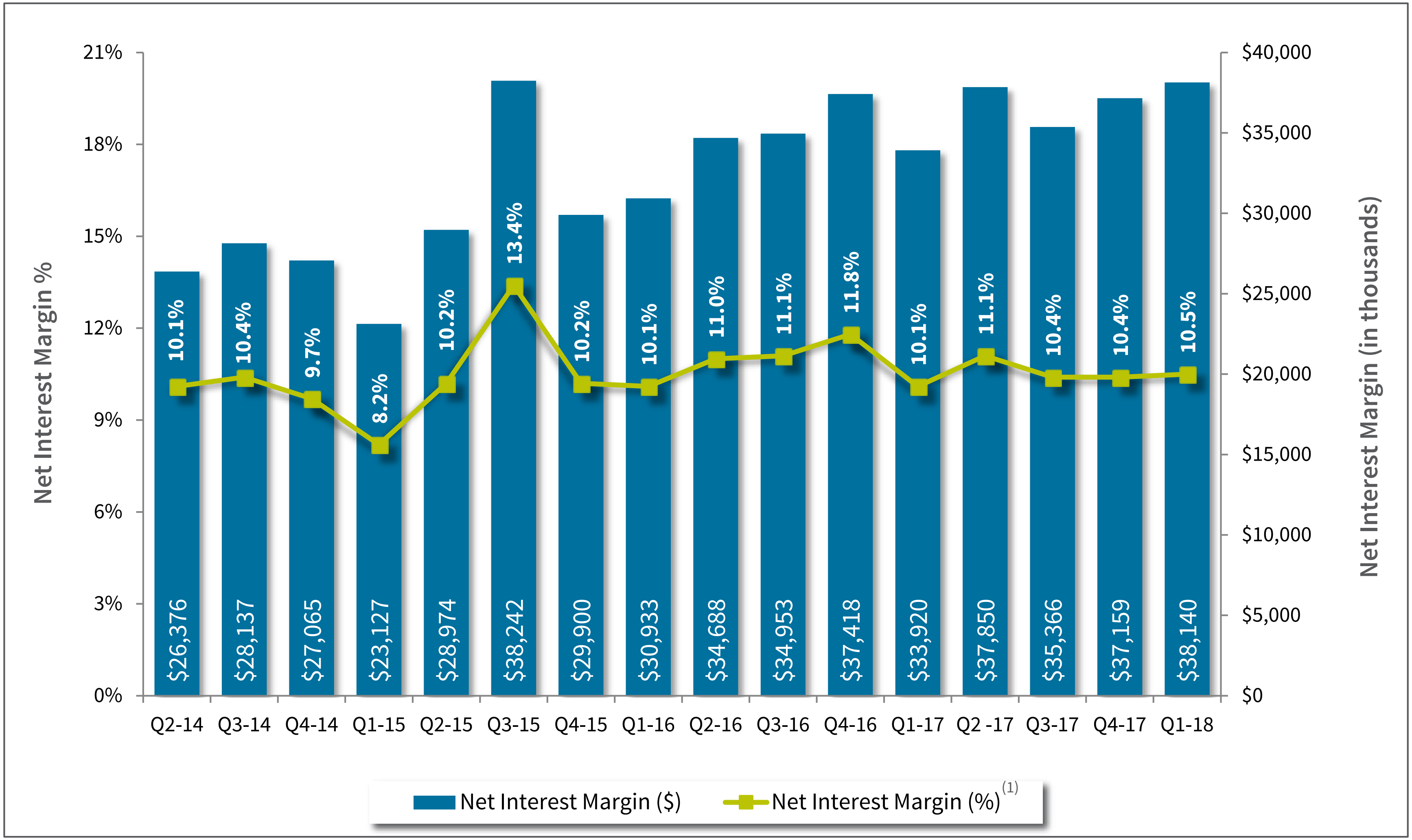
HIGH-YIELD PORTFOLIO OF EARNING ASSETS

MEDIAN EFFECTIVE YIELD FROM Q2 2014 TO Q1 2018 OF 14.3%



(1) Effective Yield is inclusive of all fees, including all realized unamortized fees and all realized transaction fees including but not limited to amendment fees and prepayment fees, and is calculated based on the weighted average principal balance of loans outstanding on a daily basis

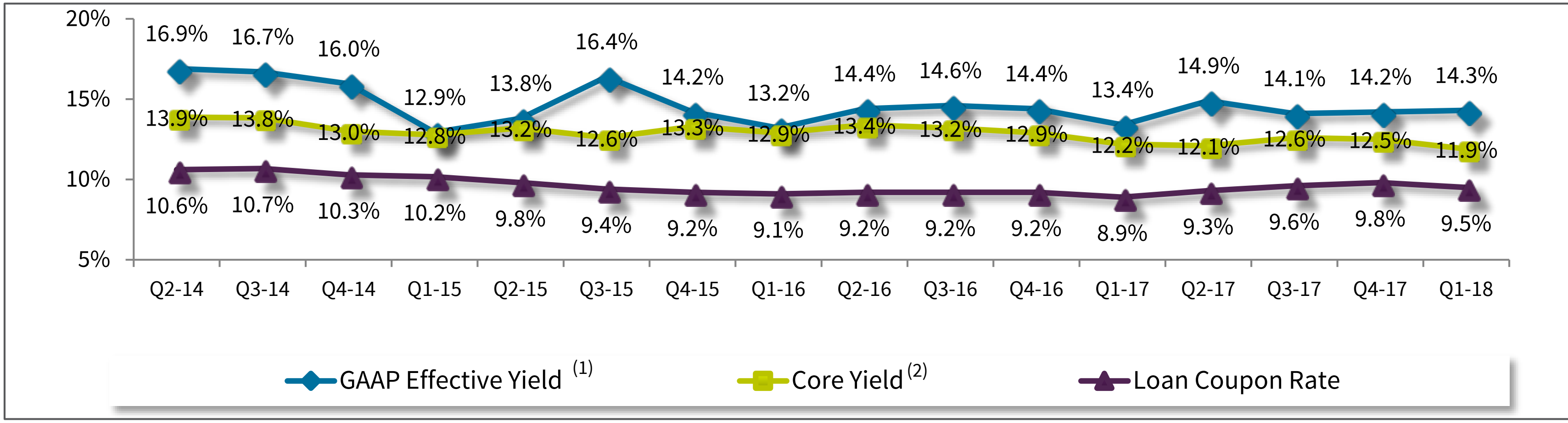
STRONG, CONSISTENT NET INTEREST MARGIN - NIM



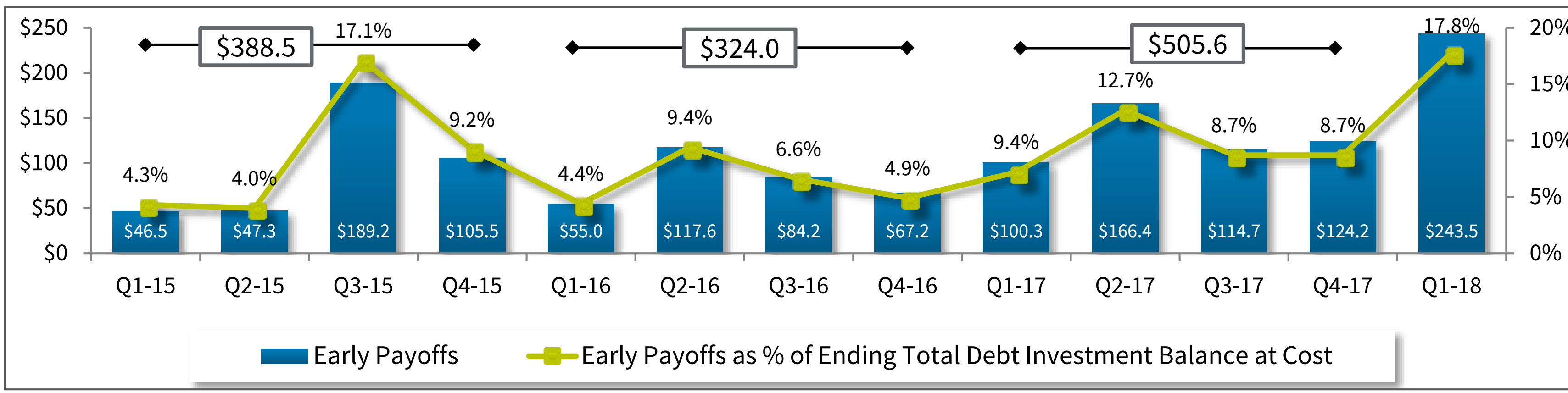
(1) Net Interest Margin = Net Interest Income/Average Yielding Assets excluding Equity Investments

IMPACT OF EARLY PAYOFFS ON EFFECTIVE YIELDS

Early Payoffs Lead to Higher Effective Yields and Earnings



EFFECTIVE YIELDS



UNSCHEDULED EARLY PAYOFFS *($ in millions)*

(1) Effective Yield is inclusive of all fees, including all realized unamortized fees and all realized transaction fees including but not limited to amendment fees and prepayment fees, and is calculated based on the weighted average principal balance of loans outstanding on a daily basis

(2) Core Yield excludes Early Repayments and One-Time Fees, and includes income and fees from expired commitments

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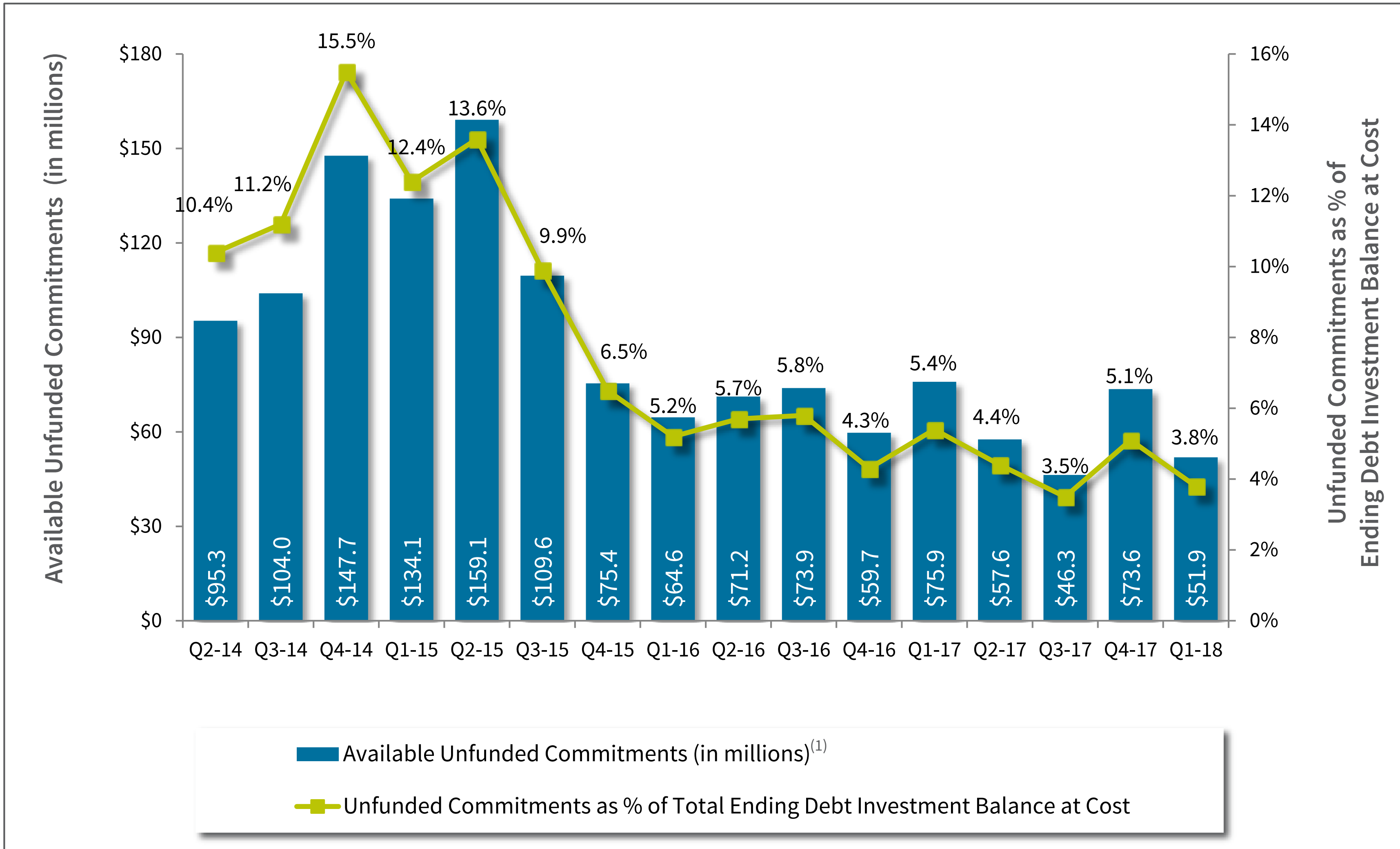
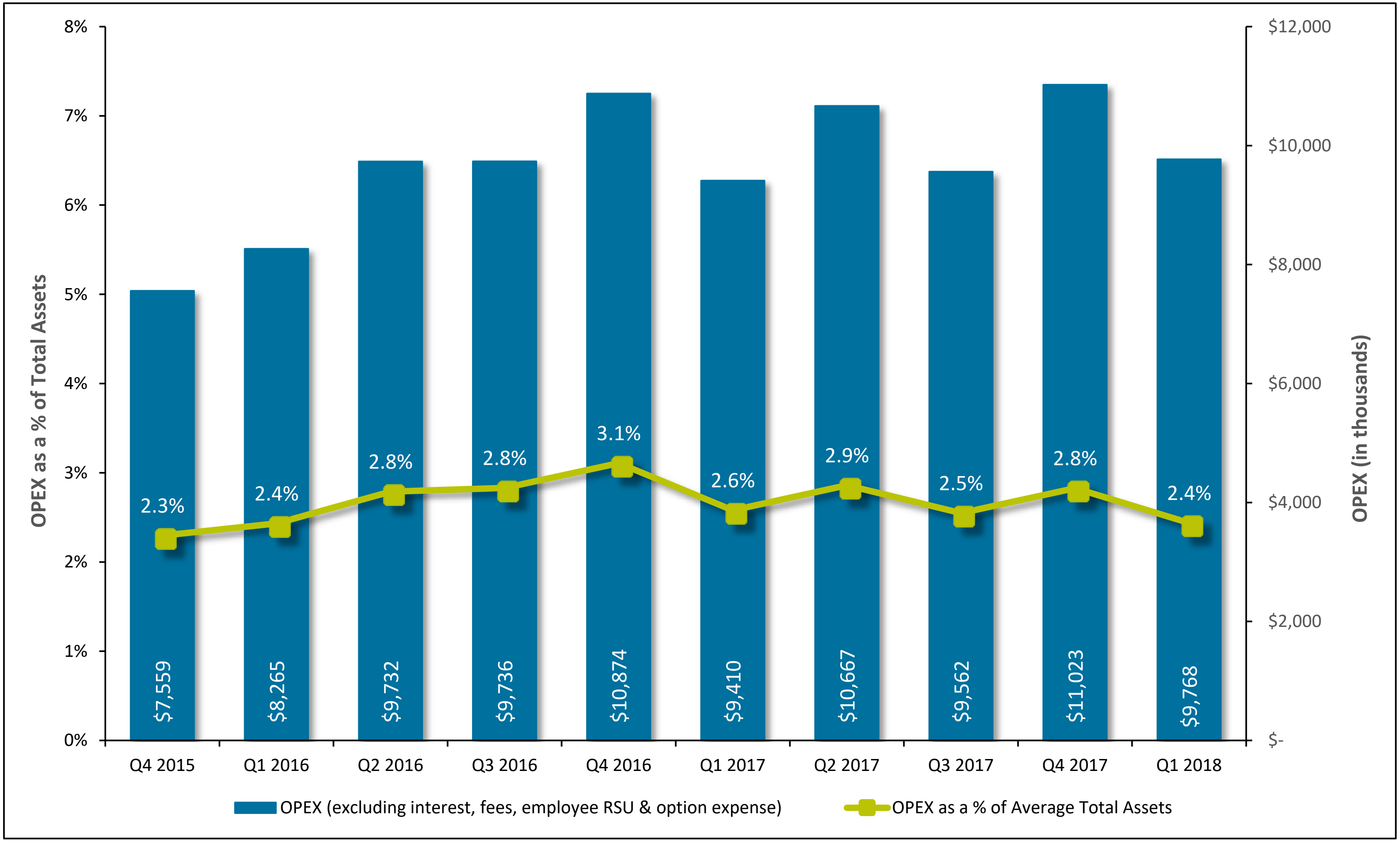
EFFECTIVE MANAGEMENT OF UNFUNDED COMMITMENTS AS A PERCENTAGE OF ENDING DEBT INVESTMENT PORTFOLIO BALANCE



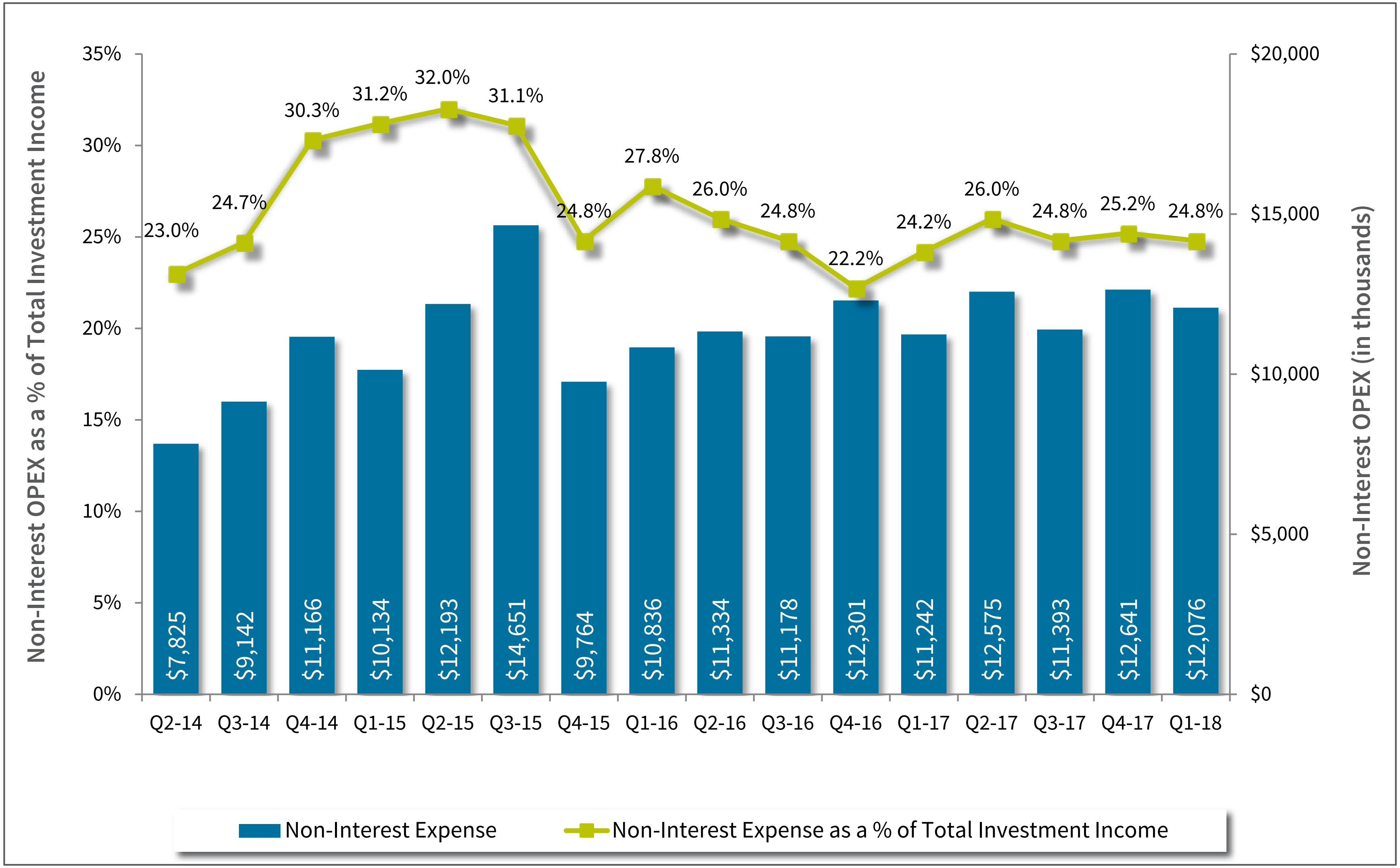
(1) Amount represents available unfunded commitments, including undrawn revolving facilities, which are available at the request by the portfolio company.

NON-INTEREST AND FEE EXPENSE TO AVERAGE TOTAL ASSETS



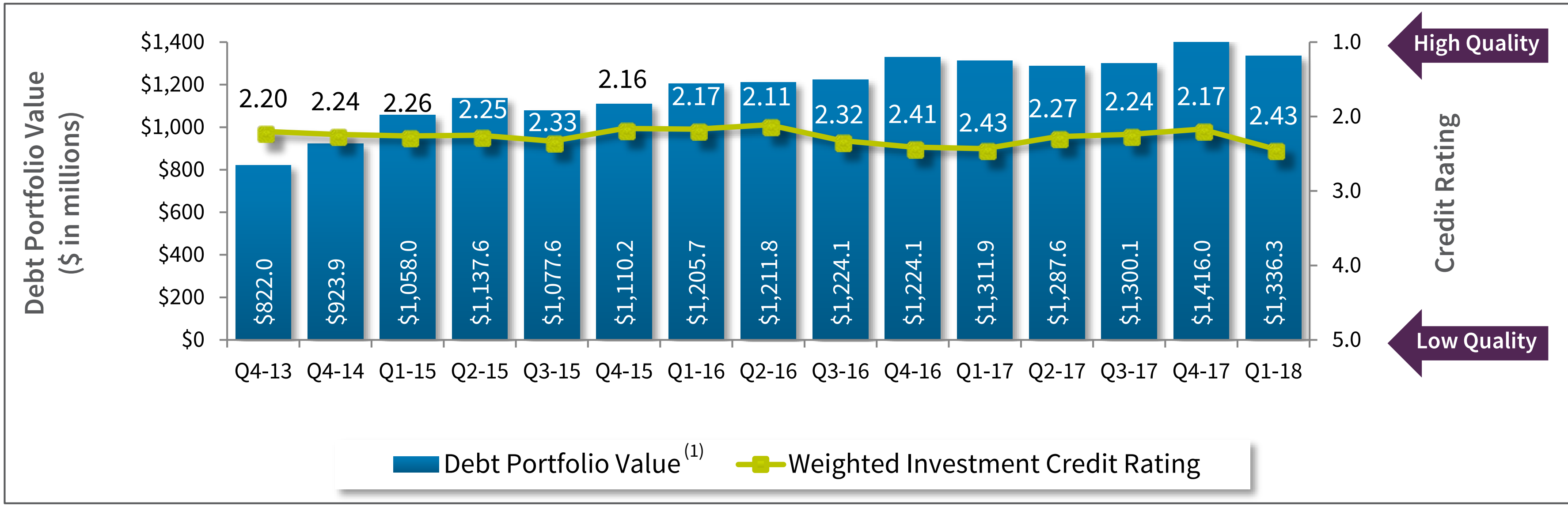
RSU = Restricted Stock Units

NON-INTEREST EXPENSE / TOTAL INVESTMENT INCOME



CREDIT DISCIPLINE AND CONSISTENT PORTFOLIO PERFORMANCE

Steady credit quality rating – no oil & gas or CLO exposure



Credit Grading at Fair Value, Q1 2018 - Q1 2017 ($ in millions)

	Q1 2018		Q4 2017		Q3 2017		Q2 2017		Q1 2017	
Grade 1 - High	$ 141.8	10.6%	$ 345.2	24.4%	$ 190.0	14.6%	$ 267.1	20.7%	$ 260.2	19.8%
Grade 2	$ 599.8	44.9%	$ 583.0	41.2%	$ 696.2	53.6%	$ 613.7	47.6%	$ 591.7	45.1%
Grade 3	$ 548.0	41.0%	$ 443.8	31.3%	$ 370.9	28.5%	$ 315.2	24.5%	$ 356.9	27.2%
Grade 4	$ 33.6	2.5%	$ 41.7	2.9%	$ 43.0	3.3%	$ 87.0	6.8%	$ 78.9	6.0%
Grade 5 - Low	$ 13.2	1.0%	$ 2.3	0.2%	$ -	0.0%	$ 4.6	0.4%	$ 24.2	1.9%
Weighted Avg.	**2.43**		**2.17**		**2.24**		**2.27**		**2.43**	

(1) Debt only; based on fair value

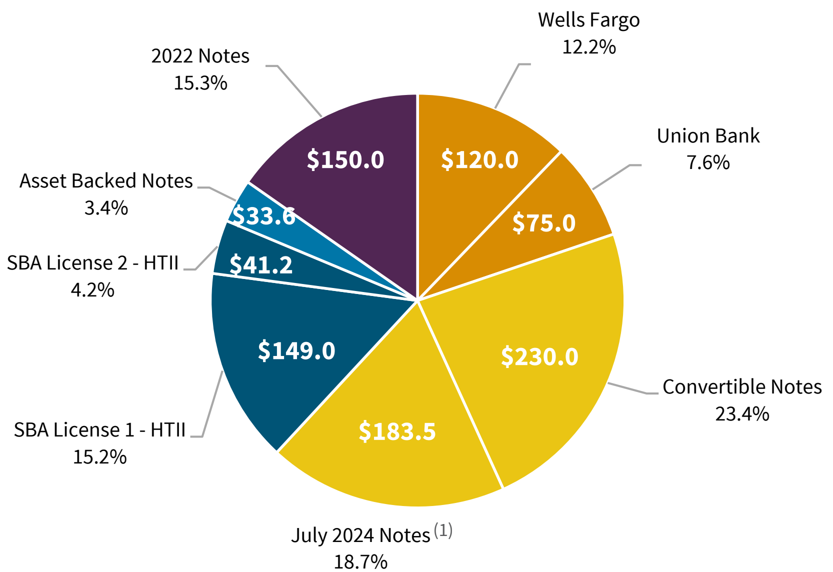
DIVERSIFIED SOURCES OF FUNDING: Q1 2018

Entity Capitalization

Capital Source as of 3/31/18	$ in Millions	% of Total
Equity	$828.7	51.2%
SBA Debentures	$190.2	11.8%
Asset-Backed Notes	$33.6	2.1%
Convertible Notes	$230.0	14.2%
2024 Notes (Baby Bonds)	$183.5 [1]	11.4%
2022 Notes	150.0	9.3%
Credit Facilities	$0.0	0.0%
Total Capital	$1,616.0	100.0%

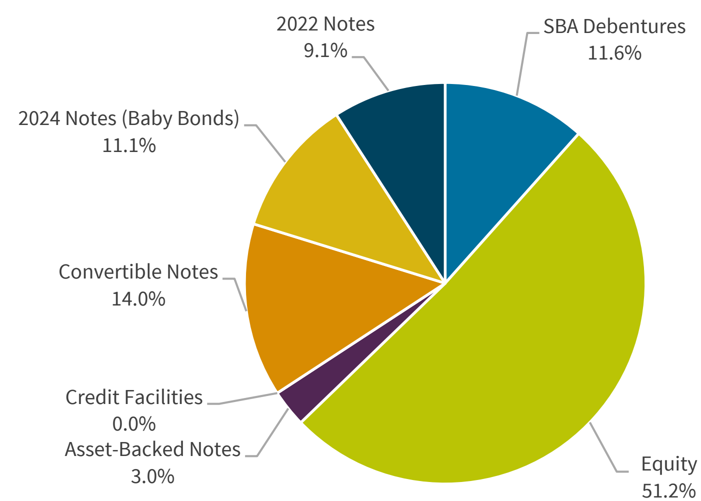
($ in millions)

Debt Capital Stack



(1) $100.0 million partially redeemed in April 2018

Total Corporate Capitalization

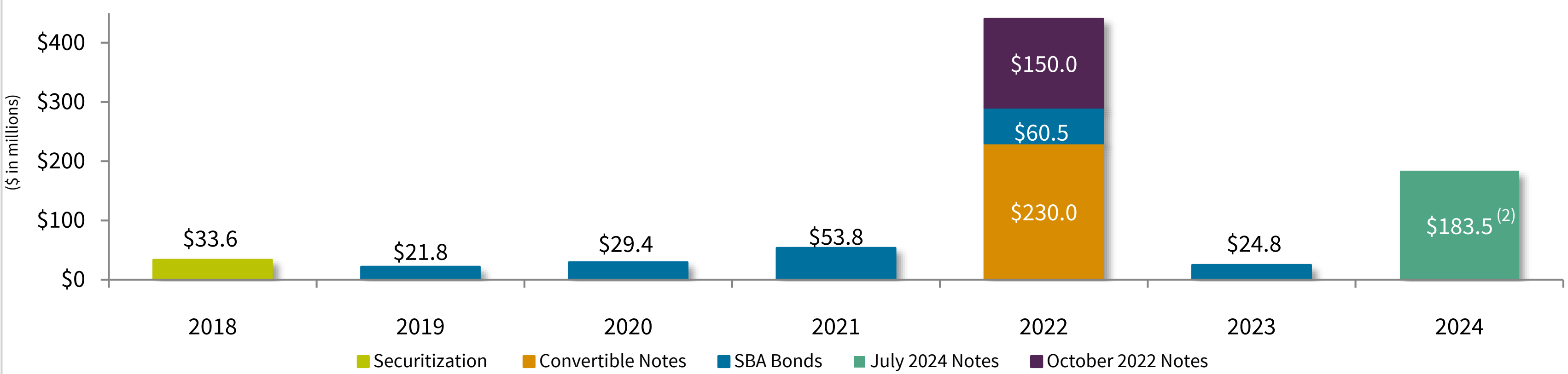


Hercules CAPITAL

DIVERSIFIED SOURCES OF FUNDING (AS OF 3/31/18)

			Notes			SBA Debentures – Total debt of $190.2 million		
	Wells Fargo Credit Facility	**Union Bank Credit Facility**	**January 2022 Convertible Notes**	**October 2022 Inst. Notes**	**July 2024 Notes (2)**	**License 1 - HTII**	**License 2-HTIII**	**Securitization**
DATE ENTERED	Aug. 2008	Feb. 2010	Jan. 2017	Oct. 2017	July 2014	Sept. 2006	May 2010	Nov. 2014
FACILITY SIZE *($ in millions)*	**$120.0**	**$75.0**	**$230.0**	**$150.0**	**$183.5**	**$41.2**	**$149.0**	**$33.6**
INTEREST RATE	LIBOR + 325bps	LIBOR + 325bps	4.375% unsecured	4.625% Unsecured	6.25% unsecured	Range(1) from 3.2% to 4.6%	Range(1) from 2.2% to 4.1%	3.524%
MATURITY	August 2019	May 2020	February 2022	October 2022	July 2024	Mature ten years after borrowing		April 2021
ADDITIONAL INFO	(Expandable up to $300.0)	(Expandable up to $200.0)	S&P: BBB- KBRA: BBB+	S&P: BBB- KBRA: BBB+	NYSE: HTGX S&P: BBB- KBRA: BBB+	Set in March and September (range from 2.2% to 5.5%)		Rated A(sf) by Kroll
OUTSTANDING *($ in millions)*	**$0.0**	**$0.0**	**$230.0**	**$150.0**	**$183.5**	**$41.2**	**$149.0**	**$49.2**

Well Managed Debt Maturity Schedule



(1) Interest rate range for the SBA debentures does not include annual fees
(2) $100.0 million partially redeemed in April 2018

Hercules CAPITAL

UNLEVERAGED BALANCE SHEET: PLENTY OF ROOM FOR GROWTH

March 31, 2018

SBIC Debenture – $190.2 Million

Additional Debt Capacity – $231.6 Million

Unsecured Notes – $563.5 Million

Asset-Backed Notes – $33.6 Million

Equity – $828.7 Million

BDC Regulatory Limitation of

1:1

Debt to Equity Ratio

Potential Max Debt of

$1,019M

Potential Max Debt to Equity Ratio of

1.23:1

57.8% Net Regulatory Leverage, excluding SBA and cash

72.0% Regulatory Leverage, excluding SBA

Credit Facilities 1) Revolving accordion credit facility for up to $300.0 million with Wells Fargo Capital Finance, $120.0 million expanded commitment. 2) Revolving accordion credit facility for up to $200.0 million with Union Bank, $75.0 million initial commitment.

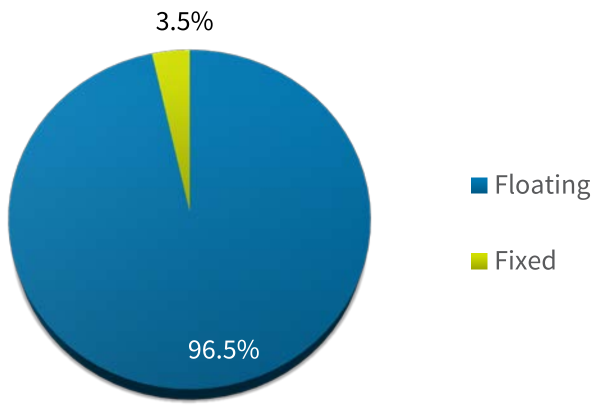
SBA Additional Leverage: 1st SBIC license issued in September 2006 by the SBA, 2nd SBIC license issued in May 2010 by the SBA. SEC exemptive order approved on April 5, 2007 rendering SBA licensees not subject to BDC 1:1 leverage restrictions.

Leverage ratios determined using Principal Amount of Debt

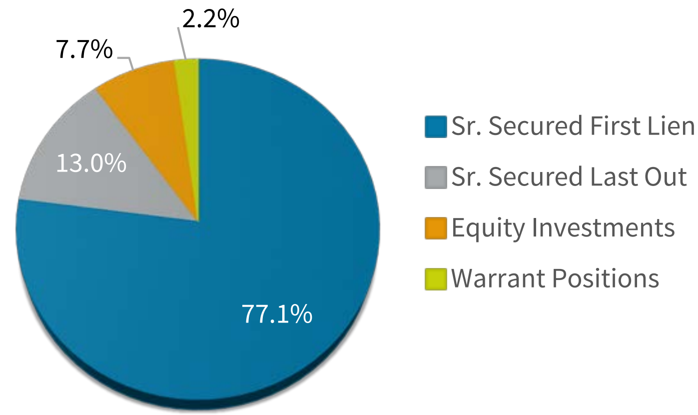
PORTFOLIO HIGHLIGHTS

HERCULES' INVESTMENT PORTFOLIO: Q1 2018

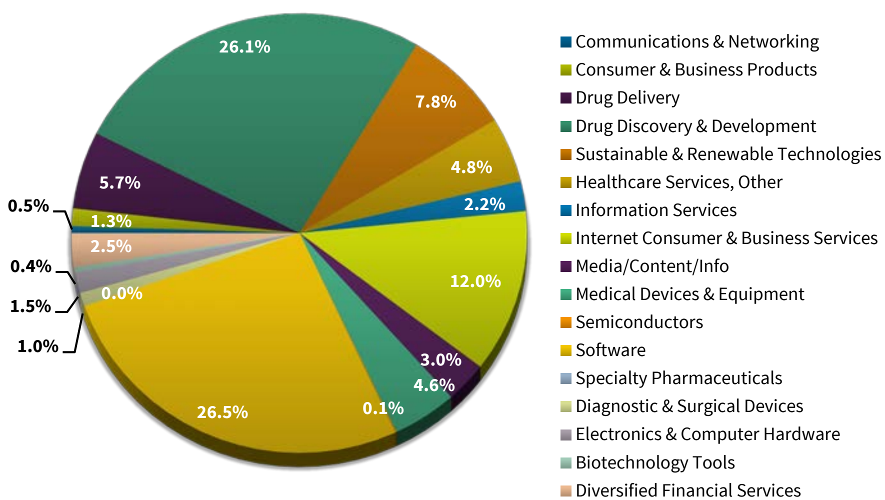
Floating vs. Fixed Rate



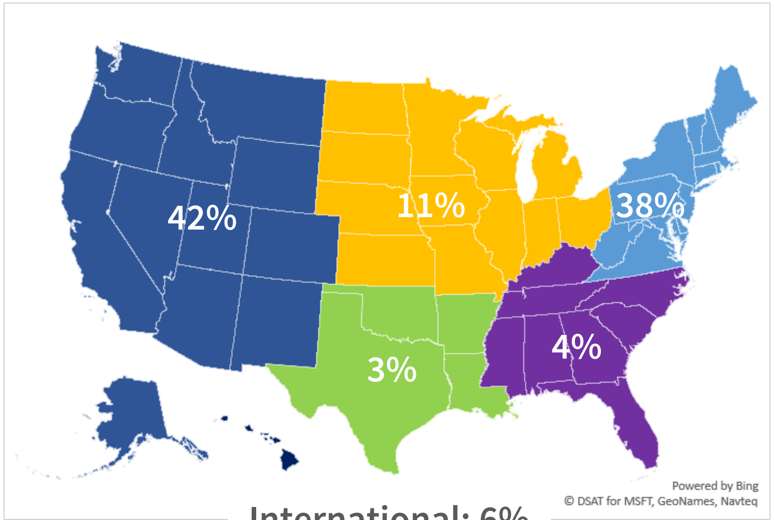
Investment Type Breakout



Industry Breakout



Hercules Investments by Geography



International: 6%

Hercules CAPITAL

HERCULES WARRANT & EQUITY PORTFOLIO: POTENTIAL FUTURE UPSIDE FOR SHAREHOLDERS TOTAL RETURN

Four (4) Existing Portfolio Companies in IPO Registration – Q1 2018

- DocuSign Inc. filed S-1 in March and completed IPO in April 2018
- Three (3) companies filed confidentially under the JOBS Act

Three (3) Announced or Completed Portfolio Company M&A Liquidity Events – Q1 2018

Current Warrant and Equity Portfolio – Q1 2018

- 134 warrant holdings
  - GAAP fair value ~$33.3 million
  - GAAP cost ~$42.8 million
  - ~$84.0 million in nominal Exercise Value (as of 3/31/18)
- 53 equity holdings
  - GAAP fair value ~$114.0 million
  - GAAP cost ~$164.9 million

- Illustrative models of potential warrant gains (as of 3/31/18)
  - Assumption: 50% of warrants will not monetize
  - GAAP cost ~$42.8 million
  - Based on 84.6 million weighted average shares

$42.0M x 2X multiple: $84.0M - $42.8M cost = $41.2M unrealized gain = **$0.49/share**	$42.0M x 3X multiple: $126.0M - $42.8M = $83.2M unrealized gain = **$0.98/share**	$42.0M x 4X multiple: $168.0M - $42.8M = $125.2M unrealized gain = **$1.48/share**

SELECT LIST OF DIVERSIFIED PORTFOLIO COMPANIES

Technology

- Palantir*
- DocuSign*
- box
- MachineZone
- Evernote
- FanDuel
- facebook*
- WageWorks
- ForeScout
- Pinterest*
- ancestry.com
- sling media
- trulia
- actifio
- Iron Planet
- NewVoiceMedia

Life Sciences

- Celator Pharmaceuticals
- Quanterix
- Myovant Sciences
- intuity Medical
- Tricida
- Merrimack Pharmaceuticals
- insmed
- Axovant Dementia Solutions
- Melinta Therapeutics – The Antibiotics Company
- TransMedics
- NEOS Therapeutics
- ChemoCentryx
- Stealth Biotherapeutics
- Bellicum Pharmaceuticals
- revance

Sustainable & Renewable Technology

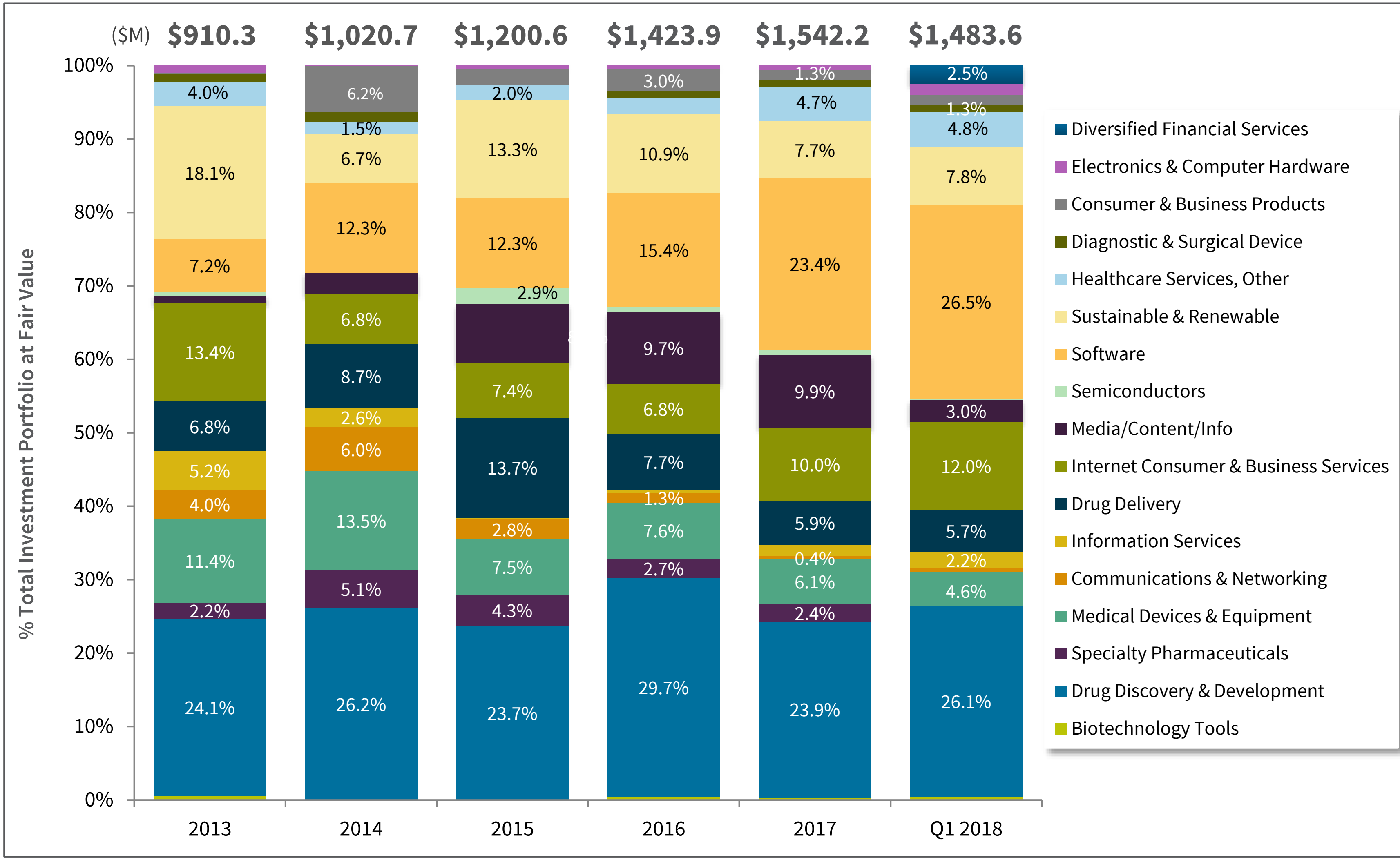
- Proterra
- Agrivida
- Trilliant
- FuelCell Energy – Ultra-Clean, Efficient, Reliable Power
- glō
- Fulcrum Bioenergy
- SolarSpectrum
- Enphase
- chargepoint
- Plug Power
- BrightSource Limitless
- Tendril
- tpi Composites
- Fluidic Energy
- Amyris

Special Situations

- Zayo Group
- MD everywhere
- Medsphere
- Annie's
- daegis
- InfoLogix
- HighJump Software
- Velocity
- intelligent beauty
- Jab broadband
- VaultLogix
- Education Dynamics
- ScriptSave

* Equity-only Investments

A BROADLY DIVERSIFIED PORTFOLIO RE-BALANCED ACCORDING TO OUR ASSESSMENT OF ONGOING MARKET CONDITIONS MITIGATES RISK



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DIVERSIFIED INVESTMENT APPROACH MITIGATES RISK

Four Key Diversification Strategies

Financial Sponsors	Industry Sectors	Stages of Development	Geographic Location
More than 1000 Venture Capital Firms & Investors	Technology Life Sciences Sustainable & Renewable Special Situations	Expansion or "Venture Growth" & Established	Key VC Investment Centers Palo Alto Boston New York Washington DC Chicago Hartford

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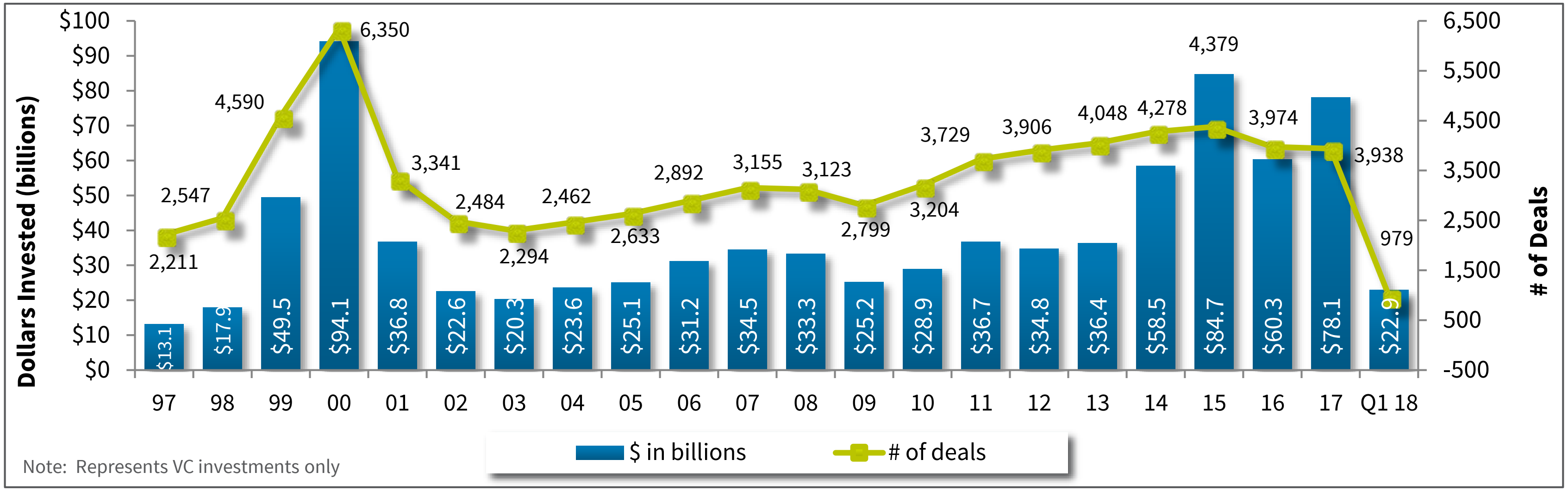
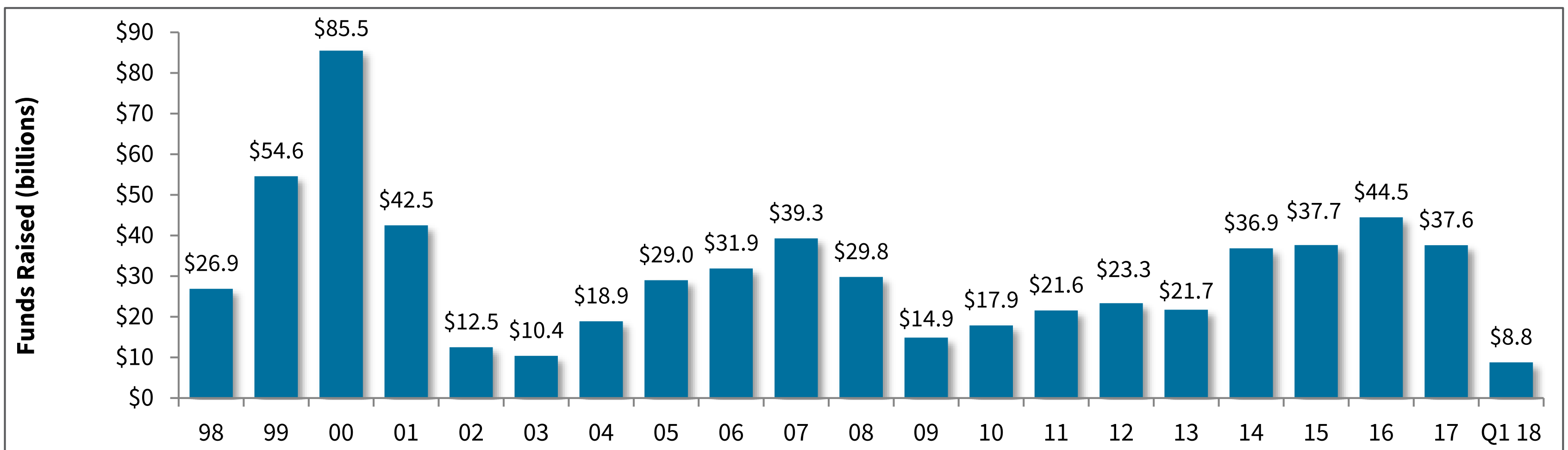
VENTURE CAPITAL MARKET OPPORTUNITY

OVER $868.5 BILLION VENTURE CAPITAL INVESTMENT

Venture Capital Investment Activity 1997 – Q1 2018



Venture Capital Fundraising Activity 1997 – Q1 2018



Source: Dow Jones VentureSource Q1 2018

WHY VENTURE BACKED COMPANIES USE VENTURE DEBT?

Venture Debt Complements Equity Financing and Optimizes Capital Structure

1 Less dilutive than new VC round

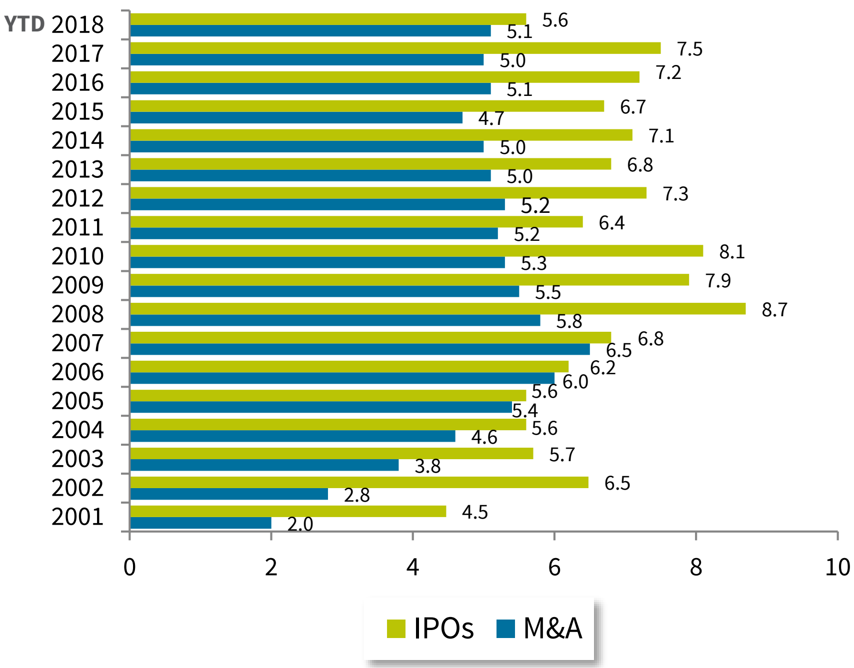
2 Lengthens time before next equity round

3 Provides negotiating leverage for higher valuations

4 Leverages returns of equity investors

As Time to Exit has Increased...

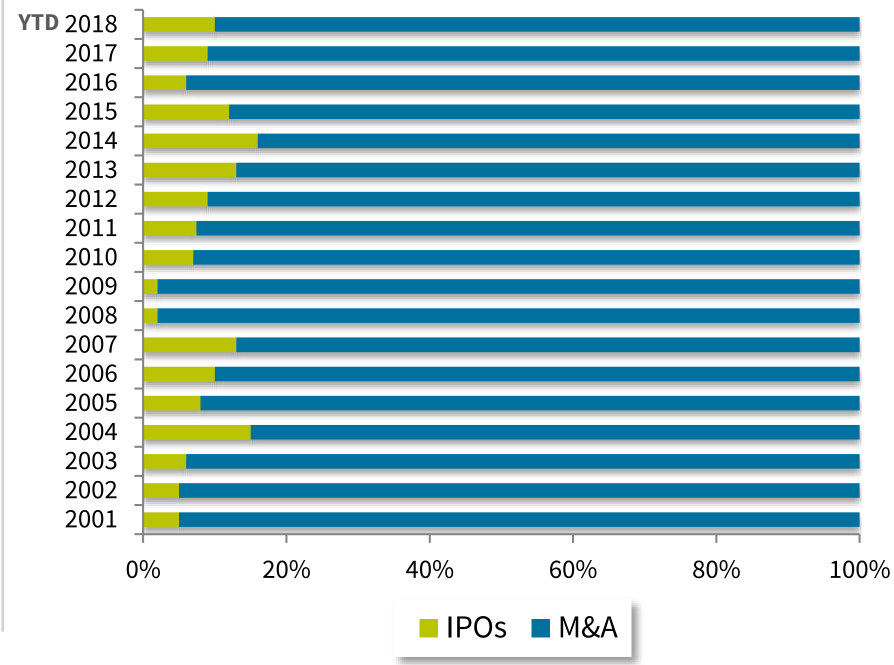
Median Time from Initial Equity Funding



Source: Dow Jones VentureSource Q1 2018

… M&A Remains the Exit of Choice

Breakdown of Venture Backed Liquidity Events

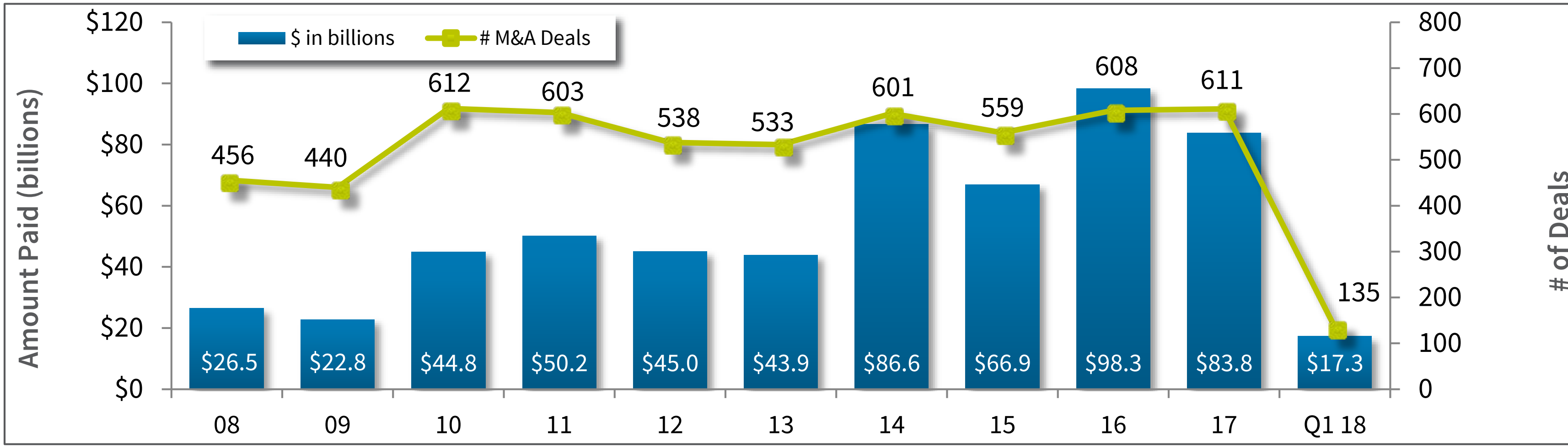


Source: Dow Jones VentureSource Q1 2018

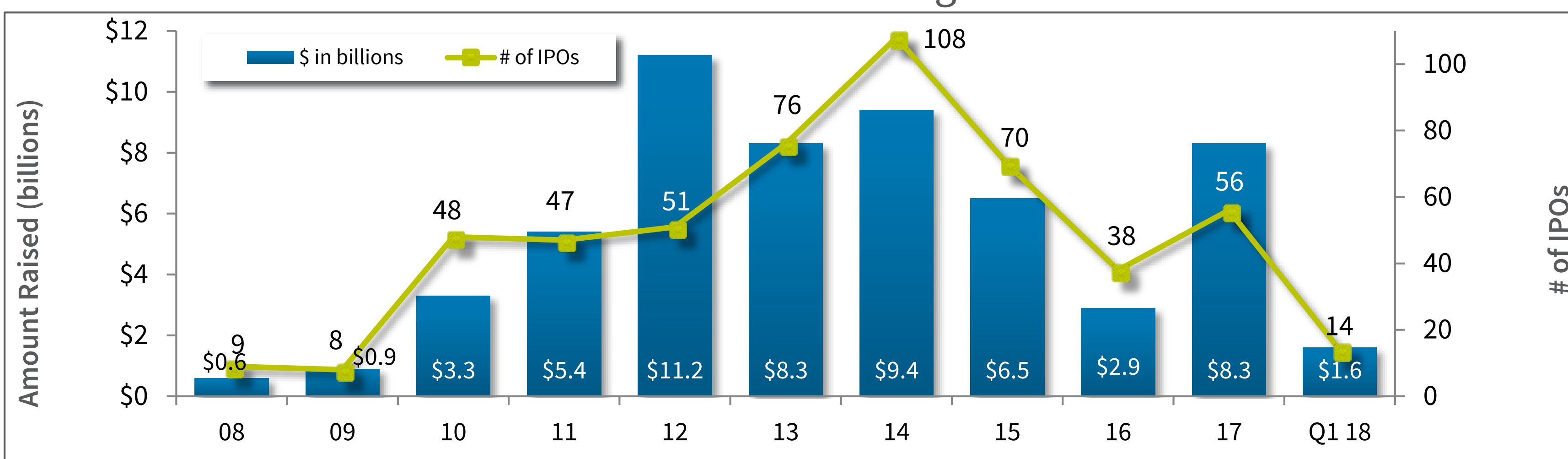
Hercules CAPITAL

EXITS OF VENTURE CAPITAL-BACKED COMPANIES

Mergers & Acquisitions



Initial Public Offerings

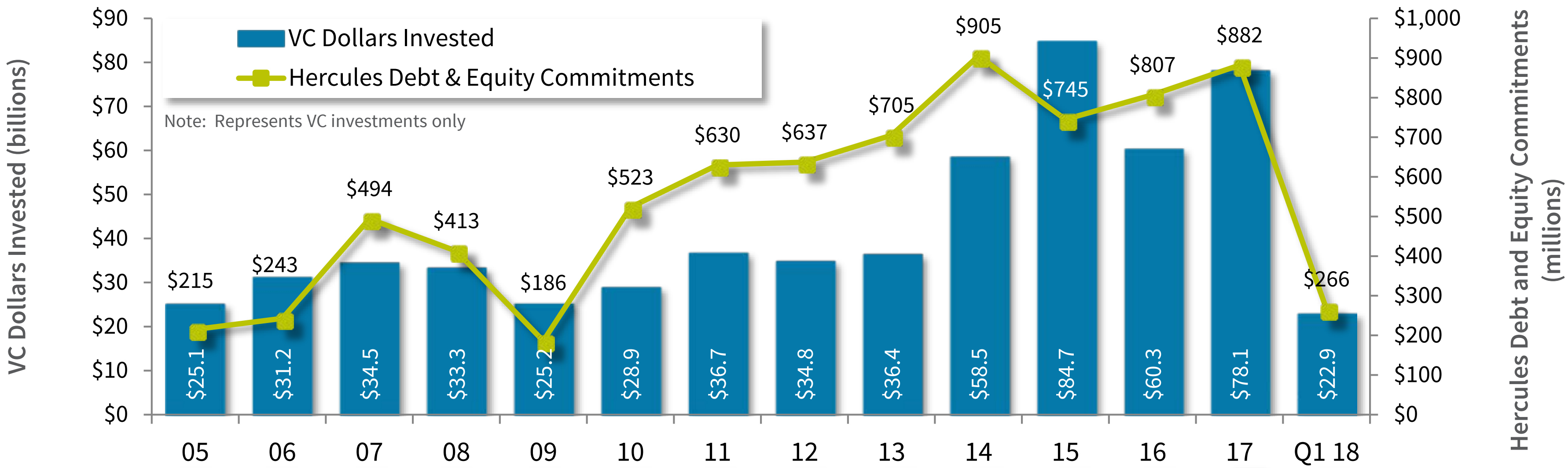


Source: Dow Jones VentureSource Q1 2018

Hercules CAPITAL

HERCULES' TOTAL COMMITMENTS vs. VC DOLLARS INVESTED

VENTURE CAPITAL INVESTMENT ACTIVITY 2005 – Q1 2018



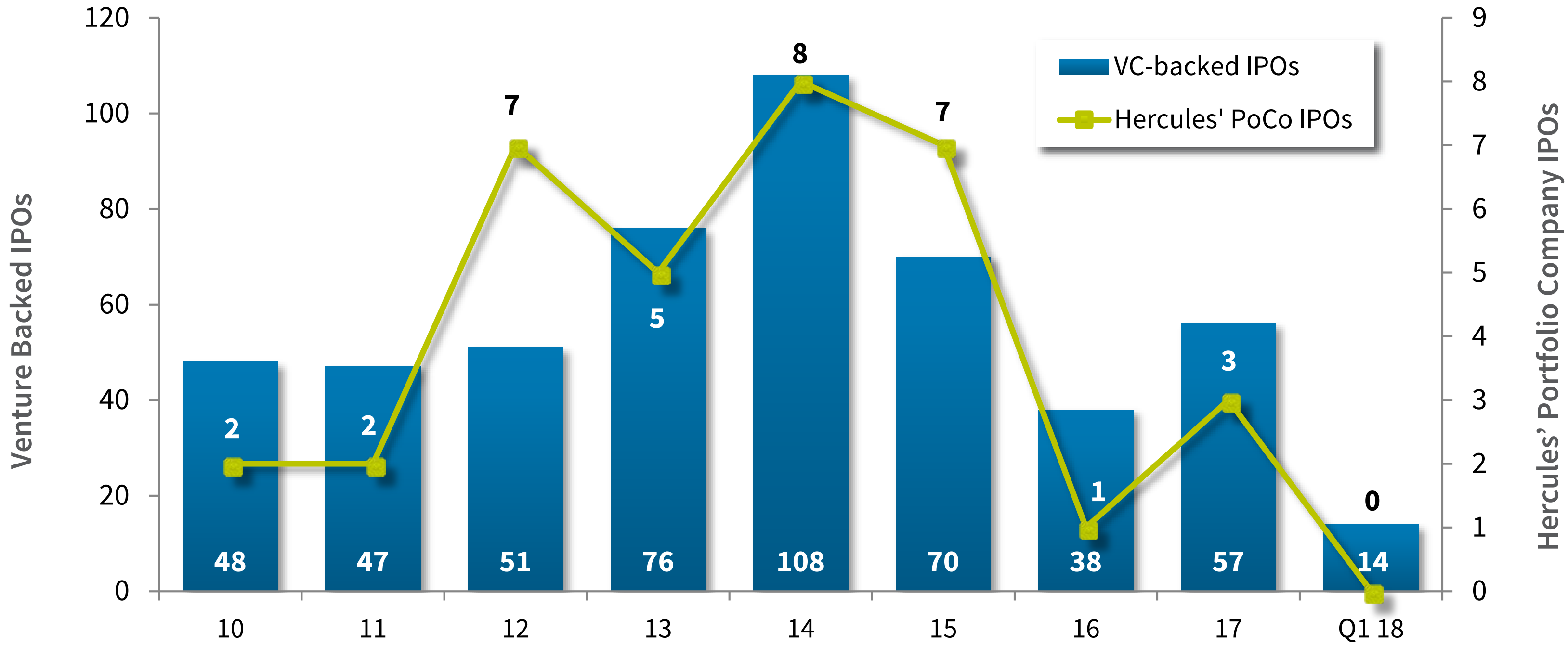
Commitments as % of VC Dollars Invested	0.9%	0.8%	1.4%	1.2%	0.8%	1.8%	1.7%	1.8%	1.9%	1.6%	1.0%	1.6%	1.4%	1.2%

- Hercules' uncompromising yield and credit underwriting standards drives commitments
- Market conditions determine commitment activity more than pure VC investment activity
- Hercules' 14-year historical average: 1.4%

Source: Dow Jones VentureSource Q1 2018

HERCULES' PORTFOLIO COMPANY IPOs

PROVIDING INVESTOR ACCESS TO SOME OF AMERICA'S MOST PROMISING COMPANIES



Participation as % of Total VC-Backed IPOs	4%	4%	14%	7%	7%	10%	3%	5%	0%

- M&A represents on average **91%** of venture capital investment exits since 2010

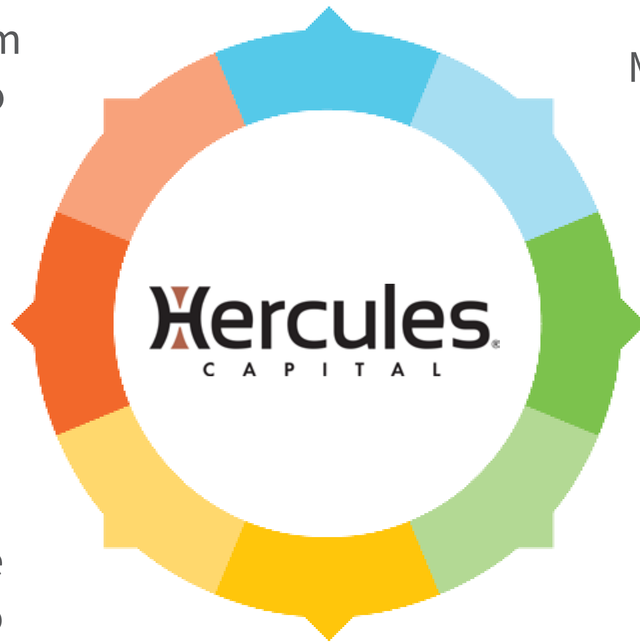
Source: Dow Jones VentureSource Q1 2018

INVESTMENT HIGHLIGHTS

Large Market Opportunity

Attractive Yields and Equity Upside from Warrant Portfolio

Experienced Management Team



Strict Focus on Credit Underwriting Process

Strong Venture Capital and Private Equity Relationships

Platform in Place to Grow Portfolio

Strong Balance Sheet and Diverse Funding Sources

Focused on strong and sustainable shareholder returns

ANALYST COVERAGE

Hercules CAPITAL

BROAD INDUSTRY ANALYST COVERAGE – 12 FIRMS

Wells Fargo Securities
Jonathan Bock
(Initiated Coverage 4/25/2011)

Jefferies
John Hecht
(Initiated Coverage 6/30/2015)

JMP
Chris York
(Initiated Coverage 10/24/2012)

KBW
A Stifel Company
Ryan Lynch
(Re-initiated Coverage 2/19/2013)

FBR
A B. Riley Financial Company
Tim Hayes
(Re-initiated Coverage 10/2/2017)

RBC Capital Markets
Jason Arnold
(Initiated Coverage 12/14/2007)

Compass Point Research & Trading, LLC
Casey Alexander
(Initiated Coverage 6/23/15)

Ladenburg Thalmann
Established 1876
Christopher Nolan
(Initiated Coverage 11/20/2017)

Janney
Mitchel Penn
(Initiated Coverage 1/14/2015)

Wedbush
Henry Coffey
(Initiated Coverage 10/24/17)

Sandler O'Neill + Partners
Aaron James Deer
(Initiated Coverage 9/29/2011)

Raymond James
Robert Dodd
(Initiated Coverage 7/26/2012)

SUPPLEMENTAL INFORMATION

Hercules CAPITAL

REGULATION AND STRUCTURE

Hercules is an Internally Managed BDC under the 1940 Act and a RIC for Tax Purposes

Business Development Company (BDC)

- Regulated by the SEC under the Investment Company Act of 1940
- Leverage limited to approximately 1:1 debt/equity, unless an SEC exemptive order exists to exclude SBA debt
- Investments are required to be carried at fair value
- Majority of Board of Directors must be independent
- Offer managerial assistance to portfolio companies

Regulated Investment Company (RIC)

- Distribute taxable income as dividends to shareholders
- Mandates asset diversification
- Eliminates corporate taxation
- Allows for the retention of capital gains and/or spillover of taxable income

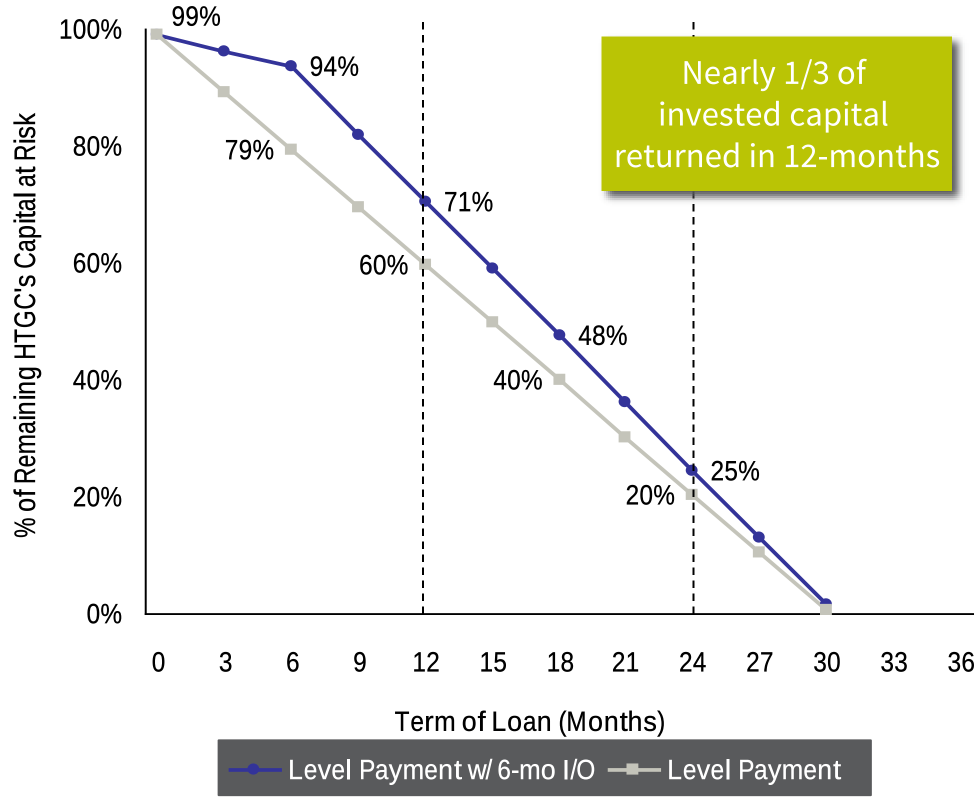
Small Business Investment Company (SBIC)

- Two Small Business Investment Company ("SBIC") licenses granted through the U.S. Small Business Administration ("SBA")
- Currently, $190.2 million exemption from SEC leverage restrictions for BDCs, excludes all SBIC debt from BDC 1:1 leverage test

VENTURE GROWTH INVESTMENT STRUCTURE MITIGATES CAPITAL RISK

- Rapidly amortizing principal balance and current cash-pay interest
- “Security interest” – generally first security interest in all assets of borrower
- Simultaneous or recent equity round; in addition sponsor commitment for continued financial support
- Generally expect sufficient capital at time of investment to support operations and debt service for at least 9 -18 months
- Diversification across industry sub-sectors, development stages and financial sponsors

Reduction of Invested Capital at Risk



Note: Capital at risk reduced by fees, principal payments and interest payments. Assumes 36 month term, 1% origination fee, 11% interest, and a level payment schedule.

PRIMARILY INVEST AT STAGES OF HIGH GROWTH

	Expansion Stage	Established
Type of Company	Follow-on Rounds of Growth Capital (Series B-Liquidity Event)	Private Late Stage/ Select Public Companies
Equity Capital Provider	Venture Capital/ Private Equity	Public Markets/ Private Equity
Expectation for Additional Sponsor Support	1–3 Additional Rounds	0–2 Additional Rounds
Targeted Warrant Gain Potential	3–7 x	2–4 x
Potential Time to Liquidity	4–6 years	2–4 years

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