

Rand Capital Teams With BroadOak Capital Partners to Provide Additional Funding to Empire Genomics, a Molecular Diagnostics Company

BUFFALO, NY -- (Marketwired) -- 05/19/16 --

- ***Follow-on round of \$1.75 million includes Rand's investment of \$250,000***
- ***Rand's total investment in Empire Genomics is now \$1.15 million***
- ***Empire Genomics recently entered into an exclusive agreement to distribute its products in China***

Rand Capital Corporation (NASDAQ: RAND) ("Rand"), a venture capital company that makes primarily equity investments in companies with emerging product, service or technology concepts, announced that it recently made a follow-on investment of \$250,000 as part of a \$1.75 million financing round in Empire Genomics (www.empiregenomics.com). Empire Genomics is a molecular diagnostics company that offers comprehensive assay services for diagnosing and guiding patient therapeutic treatments. The funding round was led by existing investor BroadOak Capital Partners (www.broadoak.com). Empire Genomics will use the proceeds to continue growing its business through investments in sales and marketing, automation, and increasing scale of operations as well as the launching of additional proprietary molecular diagnostics.

Anthony Johnson, President and CEO of Empire Genomics, commented, "We appreciate the participation of BroadOak and Rand in this recent round of financing. We intend to make additional investments in the talent and infrastructure needed to advance our work and build scale to support the further commercialization of our products. Our business continues to gain momentum, with first quarter revenue up almost 50% over last year's first quarter. We are also very excited about our recent exclusive agreement to distribute our products in China, which we believe will further elevate our global visibility in genomics testing."

Empire Genomics has been in Rand's investment portfolio since June 2014 and represented approximately 2.7% of its net assets at March 31, 2016. This latest investment is Rand's third in Empire Genomics, which brings its total investment to \$1.15 million, in the form of convertible notes and debt.

Daniel P. Penberthy, Rand's Executive Vice President, added, "Rand continues to be impressed by the work and growth of Empire Genomics. Our latest investment occurred just as Empire Genomics secured an exclusive agreement to distribute its products in China. Earlier this year Empire Genomics established a partnership with the Prostate Cancer Clinical Trials Consortium, led by the Memorial Sloan Kettering Cancer Center, for the use of its diagnostic tests to provide earlier detection of prostate cancer. Empire Genomics' continued success in the commercialization of its products combined with the strength of its

management team, give us confidence in the future of this investment."

Bill Snider, Managing Partner, BroadOak Capital Partners, concluded, "Empire is poised to be an even more significant participant in the molecular oncology testing field with their recent investments. Following our initial investment, further knowledge of Empire's work led us to participate as an even larger investor this round. We are pleased to be teaming with Rand to support Empire's continued growth and contribution to better understanding and managing cancer."

ABOUT EMPIRE GENOMICS

Empire Genomics was created in 2006 from research started at the prestigious Roswell Park Cancer Institute in Buffalo, NY. It is a molecular diagnostics company that develops and offers a comprehensive menu of assay services for use in diagnosing and guiding precise therapeutic treatments for patients. The Company is committed to working with the scientific community to bring the best in genomic technologies to bear on the complex systems that biology questions. More information can be found at <http://www.empiregenomics.com/>.

ABOUT BROADOAK CAPITAL PARTNERS

BroadOak Capital Partners, LLC is a privately held investment bank based in Bethesda, MD with a comprehensive focus on the life sciences industry. It offers advisory services including mergers and acquisitions, divestitures, business combinations, capital formation, valuations and fairness opinions. BroadOak, and its principals, are active investors in life sciences companies, having participated in over 25 investments in the public and private markets. The firm currently seeks opportunities to invest growth capital into companies within its industry focus through its affiliate, BroadOak Fund III. For more information, visit <http://broadoak.com/index.html>.

ABOUT RAND CAPITAL

Rand Capital (NASDAQ: RAND) provides investors the ability to participate in venture capital opportunities through an investment in the Company's stock. Rand is a Business Development Company (BDC), and its wholly-owned subsidiary is licensed by the U.S. Small Business Administration (SBA) as a Small Business Investment Company (SBIC). Rand focuses its investments in early or expansion stage companies with strong leadership that are bringing to market new or unique products, technologies or services that have a high potential for growth. Additional information can be found at the Company's website where it regularly posts information: www.randcapital.com.

Safe Harbor Statement

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements concerning future net asset value growth, investment returns and opportunities as well as Rand's plans for utilizing proceeds from sales of portfolio companies when and if received. These statements involve known and unknown risks, uncertainties and other factors that could cause the actual results to differ materially from the results expressed or implied by such statements, including general economic and business conditions, conditions affecting the portfolio companies' markets, competitor responses, and market acceptance of their products and services and other factors disclosed in the Corporation's periodic reports filed with the Securities and Exchange Commission. Consequently, such forward looking

statements should be regarded as the Corporation's current plans, estimates and beliefs. The Corporation assumes no obligation to update the forward-looking information contained in this release.

Contacts:

Company:

Allen F. ("Pete") Grum

President and CEO

Phone: 716.853.0802

Email: pgrum@randcapital.com

Investors:

Deborah K. Pawlowski

Kei Advisors LLC

Phone: 716.843.3908

Email: dpawlowski@keiadvisors.com

Source: Rand Capital Corporation