



Rand Partners With Buffalo Angels, LLC to Invest in Grainful, a Food Business Bringing Consumers the Goodness of Oats for Dinner

BUFFALO, NY -- (Marketwired) -- 11/10/14 -- Rand Capital Corporation (www.randcapital.com) (NASDAQ: RAND) a Buffalo, New York based Business Development Company (BDC) and Small Business Investment Company (SBIC), announced that it has partnered with Buffalo Angels, LLC (Buffalo, NY) and independent investors in an initial funding of \$720,000 for BeetNPath, LLC, DBA, Grainful (Ithaca, NY) (www.grainful.com) a privately-held food company.

Grainful is bringing consumers the health benefits of oats beyond breakfast by extending the oat category to lunch and dinner. **Grainful's** innovative products, all natural steel cut oat-based frozen entrées, were developed by Chef Jeannine Sacco, a Culinary Institute of America graduate and **Grainful's** Chief Food Officer. The products target the rapidly growing natural and organic segment within the frozen category while capitalizing on the rising popularity and broad consumer health awareness of oat-based products. **Grainful** is based in Ithaca, NY, and its products can be found on the shelves at retailers throughout the northeast, including Wegmans, Kings Food Markets and others. Funding from the investment will be used for sales, marketing and product development activities to firmly establish the **Grainful** brand in the northeast and expand its geographical footprint to key markets throughout the United States.

Daniel P. Penberthy, Rand's Executive Vice President, stated, "Without the leadership of the new Buffalo Angels, LLC investment fund Rand's \$150,000 co-investment would not have been possible. Over the last year its members have both financed and assisted this young company in its early growth, and provided strong due diligence which resulted in the first investment out of their new \$1.2 million Buffalo Angel fund. These same investors will also continue to mentor, assist, and advise this venture and is pleased to provide the funds needed to close out this financing."

"Several members of the Buffalo Angels initially invested in Grainful in 2013 and we've been impressed with the reception that their product has received from retailers, distributors and consumers over the past year. We are glad to participate in this investment round that will fund the company's growth," said Jack McGowan, Executive Director of Buffalo Angels, LLC.

"We are ecstatic to have the backing of Rand Capital and the Buffalo Angels and additional new investors that may be participating in our follow-on financing, as they bring a wealth of resources; finances, industry insight and relationships; to the table that are critical to a company at our stage of growth. Having such great partners on board is an important milestone for our business as we can now focus to make our vision, to bring all consumers

the goodness of oats for dinner, a reality," said Jan Pajerski, President of Grainful.

Safe Harbor Statement

Information contained in this release should be considered forward-looking, and may be subject to inherent uncertainties in predicting future results and conditions. Please see the Corporation's Form 10-Q, Item 1A, previously filed with the Securities and Exchange Commission for a detailed discussion of the risks and uncertainties associated with the Corporation's business.

ABOUT RAND CAPITAL

Rand Capital is a publicly held Business Development Company (BDC). Its wholly owned subsidiary is licensed by the Small Business Administration (SBA) as a Small Business Investment Company (SBIC). Rand provides capital and managerial expertise to small and medium sized private companies primarily located in the Northeast U.S. Rand is traded on the NASDAQ under the symbol "RAND" and is headquartered in Buffalo, NY.

www.randcapital.com

ABOUT GRAINFUL

Grainful (BeetNPath, LLC) is a food company making chef-inspired, mouthwatering entrées that bring the wholesome goodness of oats to lunch and dinner. All products are made with steel cut oats, clean natural ingredients and are cooked to perfection under their watchful eye. Learn more at www.grainful.com

ABOUT BUFFALO ANGELS

Buffalo Angels, LLC is a member-managed seed investment fund that considers investment in high-potential early-stage companies in or near Western New York. Buffalo Angels, LLC is affiliated with the Buffalo Angels, a network of individual accredited investors, and the Western New York Venture Association www.wnyventure.com

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Source: Rand Capital Corporation