



Rand Capital Invests Additional \$1.1 Million in Medical Device Manufacturer, GENICON

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- ***Funds will purchase manufacturing equipment to address growing demand***
- ***Rand led the follow-on round with \$1.1 million senior term-loan investment***
- ***Rand more than doubles total investment in GENICON to \$2.1 million***

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 today that it recently invested \$1.1 million as the lead investor of a \$2.0 million senior term loan package for GENICON, Inc. (<http://geniconendo.com/>). GENICON is recognized as an emerging leader in the design, production and distribution of patented surgical instrumentation focused exclusively on laparoscopic, or minimally invasive, surgery. The new investment increased Rand's total investment to \$2.1 million, consisting of \$1 million of Series B Preferred Shares acquired in April 2015, a new \$1.0 million senior term loan provided in March of 2016, and a \$100 thousand expansion of the senior term loan in April 2016.

GENICON has earmarked the capital for procurement of equipment for its new operations center being built to meet growing demand for GENICON's patented surgical instruments used by surgeons for minimally invasive surgery. Once completed, the operations center will increase GENICON's production capacity by a factor of six times, while improving profitability through more efficient manufacturing using state-of-the-art equipment and processes.

Daniel P. Penberthy, Rand's Executive Vice President, commented, "GENICON represents an exciting investment in the rapidly expanding, global market for laparoscopic, or minimally invasive, medical devices. GENICON has been growing successfully as its patented surgical instruments are recognized for their quality, capabilities and reliability. And, this investment is part of our strategic effort to broaden the geographic diversity of our portfolio."

Gary Haberland, founder and CEO of GENICON, added, "We appreciate the continued confidence that Rand and our other investors place in us. Our expansion into the new operations facility supports our growth and continued success. It would not be possible without the capital contributions of our investors."

ABOUT GENICON, INC.

Founded in 1998 and based in Orlando, FL, GENICON is recognized as an emerging leader in the design, production, and distribution of patented surgical instrumentation focused exclusively on laparoscopic, or minimally invasive, surgery. A privately-held firm, several of its shareholders are surgeons who utilize the company's products. GENICON is a company driven to meet the needs of modern-day healthcare through the harmonization of clinical

needs and the economic demands of a global healthcare system.

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 success of portfolio companies, investment returns and opportunities as well as Rand's strategy to geographically diversify. 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.

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