

March 30, 2007



## **Hercules Provides Equipment and Growth Financing To Two Early Stage Web 2.0 Companies in Online Social Networking Space**

PALO ALTO, Calif.--(BUSINESS WIRE)--

Hercules Technology Growth Capital, Inc. (NASDAQ:HTGC), a leading specialty finance company providing growth capital to venture capital and private equity backed technology and life science companies, today announced that it has provided venture leasing financing to two early stage companies.

On March 30, 2007, Hercules provided \$1 million of equipment based financing to Wallop, Inc., a San Francisco-based internet social networking company that started as a Microsoft research project. In addition, on March 15, 2007, Hercules provided a growth loan of \$1 million to an undisclosed company based in Los Angeles in the multimedia networking community for music and pop culture.

"Online social networking sites have become immensely popular over the past few years," said Steve Kuo, principal at Hercules, who added that the two financings marked Hercules' initial transactions in the internet social networking space. "At Hercules, we believe the sector has great potential for continued growth. Wallop's attractive business model and growth potential positioned the company well for our venture leasing investment."

Wallop, which was spun out of Microsoft Research and Microsoft IP Ventures, is led by experienced entrepreneur and Chief Executive Officer Karl Jacob and is backed by venture capital firms Norwest Venture Partners, Bay Partners, Consor Capital and an equity stake from Microsoft. The company is an online social networking community that enables users to freely express themselves and is dedicated to finding solutions to the limitations of other social networking sites.

About Hercules Technology Growth Capital, Inc.:

Founded in December 2003, Hercules Technology Growth Capital, Inc. is a NASDAQ traded specialty finance company providing debt and equity growth capital to technology-related companies at all stages of development. The Company primarily finances privately-held companies backed by leading venture capital and private equity firms and also may finance certain publicly-traded companies. Hercules' strategy is to evaluate and invest in a broad range of ventures active in technology and life science industries and to offer a full suite of growth capital products up and down the capital structure to prospective clients ranging from early-stage growth to expansion stage companies. The Company's investments are originated through its principal office located in Silicon Valley, as well as 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](http://www.HTGC.com). Companies interested in learning more about financing opportunities should contact [info@HTGC.com](mailto:info@HTGC.com), or call 650.289.3060.

#### About Wallop:

Wallop.com, redefines the popular social networking space by introducing a new social experience that integrates self-expression with exclusivity, solutions to the problems nagging today's social networks and a revolutionary new business model. Wallop started as a Microsoft research project. Veteran entrepreneur, Karl Jacob, had been looking for a technology that would fulfill the vision he had around leapfrogging the current state of social computing with a marketplace business model. Karl connected with the research project at Microsoft, recruited several key members of the development team and founded Wallop. They brought Wallop to market a little over a year later. Wallop is a privately-held company, venture backed by Norwest Venture Partners, Bay Partners, Consor Capital and Microsoft.

Wallop is by invitation only. To learn more about Wallop, visit [www.wallop.com](http://www.wallop.com).

#### 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 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.

Source: Hercules Technology Growth Capital, Inc.