

May 7, 2007



Hercules' Portfolio Company, Xillix Technologies, Completes Sale of Certain Assets to Novadaq Technologies

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, announced that on May 3, 2007, one of its portfolio companies, Xillix Technologies Corp. (TSX:XLX), a previously rated 4 portfolio company, completed the sale of certain business assets to Novadaq Technologies, Inc. of Toronto, Ontario. Novadaq is a developer of real-time medical imaging systems and image guided therapies for the operating room. The common shares of Novadaq are listed and posted for trading on the Toronto Stock Exchange under trading symbol "NDQ".

In exchange for the assets which Xillix has agreed to sell to Novadaq, Novadaq has agreed to pay Xillix consideration in the amount of CDN \$3,000,000 of which CDN \$1,075,000 was paid in cash and CDN \$1,925,000 was satisfied by the issuance of 224,883 common shares of Novadaq (based on the volume weighted average trading price of Novadaq's common shares on the Toronto Stock Exchange for the five trading days preceding the execution of the asset purchase agreement).

The sale to Novadaq was approved by the British Columbia Supreme Court (the "Court") on May 1, 2007, at which time the Court also extended the protection provided to the Company under the Companies' Creditors Arrangement Act until June 4, 2007. This extension, together with the continuation of the forbearance arrangements between the Company and its secured creditor, provides management of the Company with more time to develop and implement a reorganization plan.

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 and life science 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. Companies interested in learning more about financing opportunities should contact info@HTGC.com, or call 650.289.3060.

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.