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News Release

for immediate release

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Jacob Funds Adds Two New Funds: Jacob Wisdom Fund and Jacob Small Cap Growth Fund

Manhattan Beach, CA (April 26, 2010) – Jacob Funds announced today that they have added two new mutual funds to their fund family: Jacob Wisdom Fund (JWSFX) and Jacob Small Cap Growth Fund (JSCGX).

“We’re excited to have these two new funds as part of our family of investment options,” said Ryan Jacob, Chairman and CEO for Jacob Funds. “We believe they will provide our investors with opportunities to further diversify their portfolios. In each of our funds, we strive to find investments in companies with what we feel are innovative ideas, enduring franchise values and significant potential for profitable growth.”

The core investment team has worked together since the inception of Jacob Asset Management (JAM), the advisor to the Fund, in 1999. Jacob is the lead portfolio manager for the 10-year old Jacob Internet Fund (JAMFX) and Jacob Small Cap Growth Fund. He is experienced in evaluating early stage, less mature companies with particular expertise in technology, one of the most dynamic segments of the market.

Frank Alexander, also a founding partner of JAM, has more than three decades of experience in investment management. He will serve as the lead portfolio manager for the Jacob Wisdom Fund, which will invest in larger companies that the fund believes are established leaders in their industries. His expertise is in analyzing returns on capital and estimating the franchise value of companies.

“Adding these funds broadens our offerings to appeal to both conservative and aggressive investors,” said Alexander. “How we select investments is simple and applied consistently to all three funds. Our target companies play in large markets with the ability to grow share while exhibiting competitive advantages. We look for market leaders that, in our opinion, have strong, capable management teams.”

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Darren Chervitz serves as JAM's director of research and is a co-portfolio manager for the California-based investment firm. The firm manages approximately \$60 million in the three funds. Investors can purchase the funds through their investment advisor, discount broker or directly from the funds at www.jacobmutualfunds.com.

Carefully consider the Funds' investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in the Funds' prospectus, which may be obtained by calling 1-888-JACOB-FX (1.877.588.6239), or by visiting www.jacobmutualfunds.com. Read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. In addition to the normal risks associated with investing, narrowly focused investments typically exhibit higher volatility.

There are specific risks inherent in investing in the Internet area, particularly with respect to smaller capitalized companies and the high volatility of Internet stocks. Small- and Medium-capitalization companies tend to have limited liquidity and greater price volatility than large-capitalization companies.

Diversification does not assure a profit or protect against loss in a declining market. The Jacob Wisdom Fund and Jacob Small Cap Growth Fund invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities.

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