

**FOR IMMEDIATE RELEASE:**

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**Harvard Illinois Bancorp, Inc. Announces Possible Fraud On Certain Of Its Investments**

Harvard, Illinois, October 1, 2014 – Harvard Illinois Bancorp, Inc. (the “Company”) (OTCBB: HARI) was advised on September 29, 2014 by Pennant Management, Inc. (“Pennant”), an investment advisor through which the Company has invested approximately \$18.1 million in repurchase agreements, that the loans underlying such repurchase agreements may be fraudulent. The loans were purported to be guaranteed by the United States Department of Agriculture. Pennant has stated that it “is diligently working to affirm the status of the USDA guarantee of each loan subject to the repurchase agreement ...” and that it “will do everything possible to see that [its clients] are made whole.”

As of this date, the Company does not know whether it will recognize losses with respect to these agreements or, if losses are recognized, the timing or amount of such losses.

The Company intends to provide further information on its website, [www.harvardsavingsbank.com](http://www.harvardsavingsbank.com), as such information becomes available.

The Company is the holding company of Harvard Savings Bank (the “Bank”). As of June 30, 2014, the Company had total assets of \$170.9 million and total stockholders’ equity of \$20.8 million.

This press release contains certain forward-looking statements that are based on assumptions and may describe future plans, strategies and expectations of the Company. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like “believe,” “expect,” “anticipate,” “estimate” and “intend” or future or conditional verbs such as “will,” “would,” “should,” “could” or “may.” Except as required by law, the Company does not undertake any obligation to update any forward-looking statements to reflect changes in belief, expectations or events.