



Press Release

Source: S3 Investment Company

S3 Investment Company Targets Listings on the TSX Venture Exchange for Clients of its Redwood Capital Subsidiary

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DANVILLE, CA--(MARKET WIRE)--Feb. 9, 2009--S3 Investment Company, Inc. (Other OTC: SIVC) today announced that its wholly owned Redwood Capital subsidiary has targeted the TSX Venture Exchange for clients seeking to enter North American capital markets due to a number of factors that favor listing on the TSX-V over initial U.S. market listings. The TSX Venture Exchange, which is a Canadian exchange owned by Toronto-based TMX Group, focuses primarily on emerging companies.

The TSX Venture Exchange attracts companies that span a variety of sectors, including industrial, life sciences, technology and financial services. Originally founded in 1999 as the Canadian Venture Exchange, it was renamed the TSX Venture Exchange after being acquired by the holding company of the Toronto Stock Exchange in 2001. For more information on the exchange, please visit <http://www.tsx.com>.

Redwood Capital has identified a number of advantages to a listing on the TSX Venture Exchange including the additional attention that can come from being one of only approximately 40 listings of Chinese companies in Canada as opposed to the over 500 which are traded on various exchanges in the United States.

“The Venture Exchange is a great place for many of our industrial-sized Chinese clients to consider for their start as a public company,” said Jim Bickel, CEO of S3 Investments, Inc. “Our clients can uplist to the full Toronto Stock Exchange and even pursue a dual listing to Nasdaq, all from the same exchange group.”

For reverse takeover financings on the TSX-V, an issuer’s filing statement or listing application is reviewed in advance, which can allow the stock to be free trading at closing. This can remove the typical period of uncertainty that can result from awaiting regulatory approval of a registration statement as normally occurs in the United States markets for such RTO funding transactions.

Another advantage from a TSX Venture Exchange listing is that the exchange is owned by the TSX Group, owners of the Toronto Stock Exchange as well as Equicom Group, the recognized leader in investor relations and related services in Canada. Listed companies have access to a large, dynamic investor relations program that can enhance the value and usefulness of their public listings. With a smaller pool of companies, it is also easier to attract research coverage on the TSX-V.

“Since the recent turmoil in the U.S. public markets, we have been seeking alternative listings for Redwood Capital clients in the North American markets, and believe that we have found very attractive opportunities in the TSX Venture Exchange. We will update shareholders on the status of our next Redwood Capital client closing as soon as possible, which we expect to be a listing on the TSX-V,” Mr. Bickel added.

To sign up to receive information by email directly from S3 Investment Company when new press releases, investor newsletters, SEC filings or other information is disclosed, please visit <http://www.s3investments.com/investors/>.

About S3 Investment Company

S3 Investment Company, Inc. (<http://www.s3investments.com>) and its wholly owned Redwood Capital subsidiary are focused on assisting private Chinese companies in accessing the North American capital markets by utilizing a network of investment banking relationships to achieve reverse merger transactions. For more information, please visit <http://www.redwoodcapinc.com>.

Any statements contained herein related to future events are forward-looking statements and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on forward-looking statements. S3 Investment Company, Inc. undertakes no obligation to update any such statements to reflect actual events.

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