

Press Release

S3 Investment Company Recaps Recent China Trip by Chairman/CEO

The visit results in a new client signing by the Company's Redwood Capital subsidiary and additional opportunities in Mongolia

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DANVILLE, CA--(MARKET WIRE)--Apr. 12, 2010--S3 Investment Company, Inc. (Other OTC: SIVC) today provided a re-cap of a recent trip to China by the company's Chairman and CEO Jim Bickel, where he met with management of the company's operating subsidiaries, participated in the signing of a new client for S3's wholly owned Redwood Capital subsidiary, attended two significant investment conferences, and explored new opportunities for Redwood Capital in China as well as in Mongolia, which is considered an exciting potential new market.

In addition to Mr. Bickel's attendance at the previously announced Rodman & Renshaw Annual Investment Conference held in Beijing from March 7-9, Mr. Bickel and Redwood Capital's Chief Operating Officer Charlie Wu attended the 2nd annual Mongolia-Asian Investment Forum conference on March 25th at the Westin Beijing Chaoyang.

Mongolia has recently gained attention as a new frontier for foreign private equity investment, particularly in the areas of natural resources and mining. Mongolia has \$5 billion economy with 8% average annual Gross Domestic Product growth. As one of the fastest growing markets in the world, its key economic driver is natural resources. Mongolia is estimated to need up to \$30 billion of investment to develop its natural resources. Canada's Ivanhoe Mines and its partner, Rio Tinto, one of the largest mining companies in the world, have recently signed an agreement for the development of a \$3 billion copper and gold mine in Mongolia.

"Redwood Capital's most recently announced client is based in Mongolia, and in addition to this recent signing, we believe that there may be additional opportunities for Redwood in Mongolia," said Mr. Bickel. "I was pleased to not only attend the Mongolia-Asian Investment Forum event in Beijing, to also to travel to Mongolia and see the country in person."

In addition to signing the new client, Mr. Bickel worked with Redwood Capital management on the progress of current clients and had the opportunity to meet with the Chairman of Boyuan Construction Group, a client that Redwood Capital assisted with its successful effort to become listed on the TSX Venture Exchange in 2009. Redwood Capital acted as the Chinese merchant banking advisor for Boyuan Construction Group when it became listed and received shares of Boyuan common stock as part of the compensation for its services.

Redwood Capital is currently working with clients under contract for similar listing and financing transactions. Additional China based companies are currently in the Redwood Capital pipeline and

may be placed under contact once the required preparatory and due diligence work has been completed.

While in China, Mr. Bickel also worked with subsidiary management on a number of potential new business initiatives for Redwood Capital.

“Our work with Redwood Capital may be expanded to include some additional areas that have opened up in recent months, said Mr. Bickel. “These opportunities may result in a new division being formed within Redwood Capital, and we look forward to announcing details on the new division once certain milestones have been reached.

“Overall this trip would have to be characterized as a success, and I look forward to additional news regarding Redwood Capital in the coming weeks,” Mr. Bickel added.

The value of the stock payments that Redwood Capital receives from its clients’ transactions is reflected in the company’s consolidated financial reports posted at www.otcmarkets.com.

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, Inc.

S3 Investment Company, Inc. (<http://www.s3investments.com>) and its Redwood Group International subsidiary are focused on facilitating the success of two subsidiaries operating in the China market. Redwood Capital, Inc. assists 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>. Redwood Medical, Inc. assists companies seeking to import and distribute Western medical technologies and products into the China market.

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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