

Press Release

S3 Investment Company Announces the Signing of a New Redwood Capital Client

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DANVILLE, CA--(MARKET WIRE)--Apr. 6, 2010--S3 Investment Company, Inc. (Other OTC: SIVC) today announced the signing of a new client, which operates in the mining/mineral production industry, for its wholly owned Redwood Capital subsidiary. The new client was signed by Redwood Capital during S3 Investment Company Chairman and CEO Jim Bickel's most recent trip to China.

Redwood Capital, which assists private Chinese companies in accessing the North American capital markets by achieving reverse merger transactions, is invested in the long-term success of its client companies, since it is partially compensated for its services with common stock of the client company. The value of the stock payments received from these transactions is reflected in the company's consolidated financial reports posted at www.otcmarkets.com.

The new Redwood Capital client is focused on acquiring producing or proven economic mineral deposits and developing profitable mining operations. It has 4 current projects: one in production, one in development and two in feasibility study stage. The client is further focused on becoming a world class multi-mineral producer focusing on certain strategic metals. It will seek to maintain a unique earnings growth model by continually acquiring producing properties that have the potential for improved efficiency as well as acquiring late-stage proven reserves that can be quickly brought to production.

The client utilizes Western technology, possesses strong government support, focuses on low-cost mine acquisitions, and has extensive investment banking experience with 100 years combined experience in mining and banking and a track record of proven success in Asia.

Additional information regarding the client and its business strategy is expected to be discussed by S3 in the coming weeks.

"We are very pleased to have signed this new client, which has existing operations, substantial revenues and is positioned for significant future growth, giving it the potential to return tremendous value to its shareholders," said Mr. Bickel.

"Much was accomplished during my recent China trip, including the new client signing, and we will be releasing additional information regarding the visit in the coming days. Included in these accomplishments is the opening of new business opportunities for Redwood Capital in the Asian market. S3 stockholders should definitely stay tuned to hear about these developments," he added.

Over the past year, Redwood Capital has participated in successful reverse merger and equity financing transactions for Chinese companies, including Boyuan Construction Group, now traded on the TSX Venture Exchange under the symbol BOY and China listed on the Over-the-Counter Bulletin Board under the symbol CHNC.

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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