

Press Release

S3 Investment Company Comments on Redwood Capital Client's Graduation to the TSX Exchange

BOY common stock and debentures are now listed on the Toronto Stock Exchange

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DANVILLE, CA--(GLOBE NEWSWIRE)--Jun. 15, 2010--S3 Investment Company, Inc. (Other OTC: SIVC) and its wholly owned Redwood Capital subsidiary today commented on the recent graduation of Redwood Capital client Boyuan Construction Group, Inc. from the TSX Venture Exchange to the Toronto Stock Exchange (TSX). Boyuan's common shares and debentures now trade on the TSX under the symbols BOY and BOY.DB, respectively. The graduation became effective at the market open on June 14, and as a result, Boyuan's common shares and debentures no longer trade on the TSX Venture Exchange.

Redwood Capital, which assists private Chinese companies in accessing the North American capital markets by achieving reverse merger and financing transactions, acted as the Chinese merchant banking advisor for Boyuan Construction Group when it became listed on Canada's TSX Venture Exchange. As part of its compensation for its services, Redwood Capital received shares of Boyuan common stock.

On April 15, 2010, Boyuan Construction announced that it had received conditional approval to graduate from the TSX Venture Exchange and to list its common shares and debentures on the Toronto Stock Exchange. Boyuan Construction is a fast-growing construction company in China of commercial, residential and municipal infrastructure projects. More information on the company can be found at www.boyuanguroup.com or follow Boyuan on Twitter at www.twitter.com/boyuanguroup

“The move to the TSX Exchange is an important milestone for Boyuan Construction Group and can be shown as an example of further success by a Redwood Capital client,” said S3 Investment Company Chairman and CEO Jim Bickel. “Graduating to a higher exchange often allows companies greater access to capital and increased visibility in the public markets, and we congratulate Boyuan Construction on this move. Since the value of S3 is impacted by the stock holdings on its consolidated balance sheet, we believe that such a milestone is worth noting for our shareholders as well.”

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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