

## **PRESS RELEASE**

**Source: Mentor Capital, Inc.**

### **Mentor Capital, Inc. Lead Fund Gains 6% in 3<sup>rd</sup> Qtr on Non-Financials**

(For Immediate Release, October 6, 2008)

SAN DIEGO, October 6 – The Mentor Capital, Inc. (MNTR) lead hedge fund is up 6% for the 3<sup>rd</sup> quarter, outpacing by 15% the S&P 500 which was down (9.1%). The 60% annualized return improvement follows because the fund has avoided any exposure to AIG, Washington Mutual, Wachovia, Lehman Brothers, Merrill Lynch or any financial stocks, while carefully selecting other positions. Both the lead hedge fund and Mentor Capital, Inc. have no short or long-term debt, which insulates them from the current credit liquidity risk challenging other financial firms.

Mentor Capital, Inc. is looking to buy undervalued assets in this depressed market. The Company believes it has a considerable advantage over most funds because MNTR is increasing investment capital and assets under management by 3% during the quarter, while the average fund has already had (5%) withdrawals YTD. This is before a disastrous September, where many firms have had to sell additional distressed holdings at the bottom to cover withdrawals. As it did for the quarter, the MNTR lead fund performance also exceeded the S&P 500 during September.

Through its lead hedge fund, Mentor Capital has \$13.5 million in equivalent Assets Under Management and has authority to raise \$145 Million in additional fresh capital to invest. Investors interested in avoiding exposure to the financial crises, large fund alternatives, debt-free investing, high growth, and value, in a small-cap environment, are invited to learn more about the Company at: [www.MentorCapital.com](http://www.MentorCapital.com). Detailed trading information and Level II quotes may be referenced at [www.PinkSheets.com](http://www.PinkSheets.com) under the trading symbol MNTR.

#### **Forward Looking Statements**

#### **SAFE HARBOR STATEMENT**

Certain statements contained on this press release, including statements regarding events and financial trends that may affect MNTR future operating results, financial position, stock price and cash flows, may constitute forward-looking statements within the meaning of the federal securities laws. These statements are based on our assumptions and estimates and are subject to risks and uncertainties. You can identify these forward-looking statements by the use of words like "strategy," "expects," "plans," "believes," "will," "would", "estimates," "intends," "feels," "projects," "goals," "targets" and other words of similar meaning. They represent just one out of a range of much better to much worse results, down to and including financial collapse, that are all possible. You can also identify these and other forward statements by the fact that they do not relate strictly to historical or current facts. For these statements, we claim the protection of the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995.

There are a number of risks associated with any investment with Mentor Capital, Inc. One large risk is that Mentor Capital is launching what looks like a large stepped secondary offering for a number of

funds and small private companies under a common public umbrella. New listings, public offerings and acquisitions are all problematic and risky. Any investor seeking additional information on the company should reference the web sites listed above and call management at the phone numbers provided. Unless you understand Mentor Capital's approach, strategy and capital structure, and feel comfortable because of long dealings or expert knowledge, don't invest your money here. There is a risk that you will lose 100% of your investment. As with any speculative venture, don't invest if you can't easily suffer a complete loss.

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