

## **PRESS RELEASE**

**Source: Mentor Capital, Inc.**

### **MNTR Lead Fund Up In-Spite of Crisis at Other Financial Companies**

(For Immediate Release, September 16, 2008)

SAN DIEGO, September 16 – The Mentor Capital, Inc. (Pink Sheets: MNTR) lead hedge fund has no exposure to financial companies, sub-prime or mortgage related securities. In contrast to the widespread crises in the financial sector, the MNTR lead fund has outpaced the S&P 500 by 14% YTD and is up 1% YTD as of last week's close (vs. 13% loss for the DJIA). 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

The challenge at these other firms stems from them having large short-term and long-term loan balances and little of their own invested cash. Like a homeowner with one after another of balloon payments coming due, and no equity, the Wall Street firms were always at risk of being kicked to the curb. Approximately, and much like a house is financed, Merrill Lynch & Co. has paid for its assets with 2% equity and 98% debt, Morgan Stanley has 97% debt, Lehman Brothers has 97% debt, Goldman Sachs has 96% debt, and even Bank of America has 90% of its business financed by debt.

Mentor Capital, Inc. and its lead hedge fund have no debt that is due at any scheduled time, nor any balloon or other payments due on any schedule. Additionally, the Company is actively raising new equity capital to invest. In housing terms, we own our house free-and-clear and only worry about living expenses and a credit card or two. As a result, the general lack of availability of fresh credit in the market to roll-forward loans that other companies might have coming due, does not apply at all to Mentor Capital or its fund.

Through its lead hedge fund, Mentor Capital has \$13.5 million in equivalent Assets Under Management. Investors interested in 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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