

## **PAULSON INVESTMENT COMPANY, INC. COMPLETES \$15.4 MILLION INITIAL PUBLIC OFFERING FOR S&W SEED**

**PORTLAND, OR – May 7, 2010** – [Paulson Investment Company, Inc.](#), a wholly owned subsidiary of Paulson Capital Corp. (NasdaqCM: PLCC), today announced it had served as lead manager on the recently completed initial offering for S&W Seed Company (NasdaqCM: SANWU). The offering, which grossed \$15.4 million, closed on Friday, May 7, 2010 and was co-managed by Feltl and Company.

The S&W Seed offering consisted of 1.4 million units at an offering price of \$11.00 per unit. Each unit was composed of two shares of common stock and two five year, redeemable warrants. S&W Seed Class A warrants are exercisable at \$7.15 and the Class B warrants are exercisable at \$11.00. The common stock, Class A warrants and Class B warrants will trade only as part of the unit for up to 45 days.

“Despite a volatile marketplace Paulson Investment Company, Inc. continues to uncover promising and innovative companies such as S&W Seed that are deserving of financial support,” stated Chester (Chet) Paulson, Founder and Chairman of Paulson Investment Company, Inc. “At Paulson we strive to bring tenacious businesses backed by entrepreneurial spirit to the marketplace and believe we can help fuel both further innovation and economic recovery by doing so.”

“This IPO marks the completion of more than 166 offerings by Paulson Investment Company, Inc. and the generation of more than \$1.2 billion for client companies over nearly 40 years in business,” said Trent Davis, Chief Executive Officer, Paulson Investment Company, Inc. “Paulson supports growing and innovative companies like S&W Seed that are positioned to grow and thrive even in the most challenging market conditions.”

### **About S&W Seed Company**

S&W Seed Company is an agricultural company focusing on the breeding, contracting, processing, and selling of primarily alfalfa seed. S&W Seed specializes in developing proprietary alfalfa seed varieties that are suited to warmer climates and produce high yields of superior quality alfalfa hay for animal feed. The company's web site is available at [www.swseedco.com](http://www.swseedco.com).

### **About Paulson Capital Corporation**

Paulson Capital Corporation is the parent company to Paulson Investment Company, Inc. Headquartered in Portland, Oregon, Paulson Investment Company, Inc. is the Northwest's largest independent brokerage firm and a national leader in public offerings of small and emerging growth companies with capital needs of \$5 million to \$45 million. Founded by Chester “Chet” Paulson in 1970, it has managed or underwritten 166 securities offerings and has generated more than \$1.2 billion for client companies.

With 42 branch offices throughout the country, Paulson Investment Company, Inc. (member FINRA/SIPC) aims to earn and build trust with retail and select institutional investors through highly customized financial portfolio management, diversified financial products and service offerings and effective administration and execution of investment strategies that specifically address individual risk tolerance levels. In addition, Paulson Investment Company, Inc.'s

brokerage clients look to the firm for compelling new investment ideas in the small and emerging growth markets. The company's web site is available at [www.paulsoninvestment.com](http://www.paulsoninvestment.com).

*This release may contain "forward-looking statements" based on current expectations but involving known and unknown risks and uncertainties. Actual results of achievements may be materially different from those expressed or implied. The Company's plan and objectives are based on judgments with respect to future conditions in the securities markets as well as general assumptions regarding the economy and competitive environment in the securities industry, which can be volatile and out of our control. In particular, we make assumptions about our ability to complete corporate finance transactions and increase the volume and size of our securities trading operations, which are difficult or impossible to predict accurately and often beyond the control of the Company. Therefore, there can be no assurance that any forward-looking statement will prove to be accurate.*

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