



Shares outstanding: 36,615,615

Augen Capital Reports First Quarter Results

TORONTO, Ontario – May 28, 2009: Augen Capital Corp. (“Augen” or “the Company”) (TSX-V: AUG) today announced its unaudited consolidated financial results for the first quarter ended March 31, 2009.

In the quarter ended March 31, 2009, Augen’s income was \$77,529 compared with \$207,515 in the first quarter of 2008. The Company’s income is driven by its Managed Products (MP) and Merchant Banking (MB) segments, whose strength is closely related to global market conditions and the general economic environment. Global economic and capital market challenges have had a significant impact of the Company’s ability to generate income.

Net loss before income taxes in the quarter was \$588,824 compared with a loss of \$910,729 in the first quarter of 2008.

Net loss in the first quarter was \$399,524 compared with \$745,984 in 2008.

Note: The adoption of CICA Handbook Section 3855, which requires the reporting of unrealized fluctuations in the fair value of the Merchant Banking investment portfolio, has resulted in greater volatility in the net earnings of Augen since it was adopted in the first quarter of 2007. While these accounting standards provide insight into the current fair value of the MB investment portfolio, they do not necessarily provide an accurate indication of the ultimate realized gain or loss, which will be different.

Consolidated Statements of Operations and Comprehensive Earnings

	Merchant Banking		Managed Products		Total	
	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$
<i>For the three months ended March 31,</i>						
Income	45,703	(12,633)	31,826	220,148	77,529	207,515
Expenses	431,718	362,334	175,222	226,971	606,940	589,305
Earnings (loss) before undernoted items	(386,015)	(374,967)	(143,396)	(6,823)	(529,411)	(381,790)
Share of (earnings) loss and capital transactions from equity-accounted investment	185,617	(16,316)	-	-	185,617	(16,316)
Unrealized (gain) loss on investments held for trading	(168,234)	568,764	-	-	(168,234)	568,764
Non-recurring charges	18,441	-	18,440	-	36,881	-
Adjustment to fair value of liabilities	-	(26,712)	-	-	-	(26,712)
Amortization	2,575	1,601	2,574	1,602	5,149	3,203
Earnings (loss) before income taxes	(424,414)	(902,304)	(164,410)	(8,425)	(588,824)	(910,729)
Income taxes						
Current					(14,066)	(54,451)
Future					(175,234)	(110,294)
					(189,300)	(164,745)
Net earnings (loss) and comprehensive earnings (loss)					(399,524)	(745,984)

“Augen has taken steps to conserve cash and to lower expenses in this difficult operating environment,” said J. David Mason, Chairman of the Board, President and CEO of Augen. “These efforts will continue until Management sees evidence of an economic recovery.”



Shares-for-debt transaction

A Special Meeting of the Shareholders of Augen Gold Corp., an investee company in the MB portfolio, was held on March 13, 2009. At the meeting, Augen Gold Corp. shareholders approved a shares-for-debt transaction for the conversion of debt owed by Augen Gold Corp. to Augen Capital Corp., into common shares. One hundred percent of the disinterested shareholders who voted did so in favour of the conversion. Subsequent to the end of the first quarter, on April 7, 2009, Augen Gold Corp. issued 7,479,010 common shares, at a price of \$0.15 per share, to settle \$1,121,851 of debt. Augen Capital Corp. now owns 11,519,010 shares of Augen Gold Corp. or 35.5% of the issued and outstanding common shares of AGC. Augen recorded a corporate development expense of \$154,330 as a result of this transaction.

The full unaudited interim consolidated financial statements for the period ended March 31, 2009 are available at www.augenc.com or at www.sedar.com.

About Augen Capital

Augen Capital Corp. ("Augen") (TSX-V: AUG) is a Toronto-based public merchant bank specializing in the financing of and investment in emerging resource companies. Augen manages a merchant banking hard dollar portfolio of emerging resource stocks including private companies and is an industry performance leader in tax-advantaged flow-through investments in Canada's resource sector having raised over \$80 million in flow-through limited partnership assets since inception. Augen holds over one hundred gold, base metals and uranium exploration and development public and private companies with direct holdings in its merchant banking portfolio and consulting assets in flow-through limited partnerships.

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For more information on Augen Capital, visit our website at www.augenc.com
The Company's public documents may be accessed at www.sedar.com

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This news release contains forward-looking statements. These statements are based on certain factors and assumptions as set forth in this news release including expected growth, results of operations, performance and business prospects and opportunities. While the Company considers these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect. A number of factors could cause actual results to differ materially from those in the forward-looking statements, including, but not limited to results of exploration, project development, reclamation and capital costs of the companies in the merchant banking portfolios ("investee companies"), and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; changes in demand and prices for the minerals the investee companies expect to produce; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the activities of the Company and investee companies. Additional risks and uncertainties can be found in our 2008 Management's Discussion and Analysis and in filings with the Canadian provincial securities commissions. Forward-looking statements are given only as at the date of this news release and the Company disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.