

## Augen Capital Reports Second Quarter Results

**TORONTO, Ontario – August 28, 2009: Augen Capital Corp. (“Augen” or “the Company”) (TSX-V: AUG)** today announced its unaudited consolidated financial results for the second quarter that ended June 30, 2009.

For the three month period ended June 30, 2009, Augen’s income was \$27,198 compared to \$694,099 in 2008, and net loss was \$201,892 in 2009 compared to \$958,814 in 2008. Although the Company did not generate as much income in 2009 as it did in 2008, the Company was able to partially offset the decrease in income by a reduction in expenses of \$275,124 in 2009. Further, the Company reported an increase in the value of its Merchant Banking portfolio of \$247,111.

<i>For the three months ended June 30,</i>	<b>Merchant Banking</b>		<b>Managed Products</b>		<b>Total</b>	
	<b>2009</b>	2008	<b>2009</b>	2008	<b>2009</b>	2008
	<b>\$</b>	\$	<b>\$</b>	\$	<b>\$</b>	\$
<b>Income (loss)</b>	<b>(9,312)</b>	458,923	<b>36,510</b>	235,176	<b>27,198</b>	694,099
<b>Expenses</b>	<b>351,973</b>	300,772	<b>179,939</b>	506,264	<b>531,912</b>	807,036
<b>Earnings (loss) before undernoted items</b>	<b>(361,285)</b>	158,151	<b>(143,429)</b>	(271,088)	<b>(504,714)</b>	(112,937)
Share of (earnings) loss and capital transactions from equity-accounted investment	<b>37,870</b>	(8,874)	-	-	<b>37,870</b>	(8,874)
Unrealized (gain) loss on investments held for trading	<b>(247,111)</b>	707,426	-	-	<b>(247,111)</b>	707,426
Non-recurring charges	<b>1,038</b>	251,856	<b>1,040</b>	251,856	<b>2,078</b>	503,712
Adjustment to fair value of liabilities	-	(60,769)	-	-	-	(60,769)
Amortization	<b>2,574</b>	1,601	<b>2,575</b>	1,601	<b>5,149</b>	3,202
<b>Earnings (loss) before income taxes</b>	<b>(155,656)</b>	(733,089)	<b>(147,044)</b>	(524,545)	<b>(302,700)</b>	(1,257,634)
<b>Income taxes</b>						
Current					<b>6,439</b>	(204,939)
Future					<b>(107,247)</b>	(93,881)
					<b>(100,808)</b>	(298,820)
<b>Net earnings (loss) and comprehensive earnings (loss)</b>					<b>(201,892)</b>	(958,814)

For the six month period ended June 30, 2009, Augen’s income was \$104,727 compared to \$901,614 in 2008, and net loss was \$601,416 in 2009 compared to \$1,704,798 in 2008. The year-to-date results improved for similar reasons to the second quarter as described above. In addition to the identified reasons, the results improved due to the Company recording \$38,959 of non-recurring charges in 2009 compared to \$503,712 in 2008, a decrease of \$464,753.

For the six months ended June 30,	Merchant Banking		Managed Products		Total	
	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$
<b>Income</b>	<b>36,391</b>	446,290	<b>68,336</b>	455,324	<b>104,727</b>	901,614
<b>Expenses</b>	<b>783,691</b>	663,106	<b>355,161</b>	733,235	<b>1,138,852</b>	1,396,341
<b>Earnings (loss) before undernoted items</b>	<b>(747,300)</b>	(216,816)	<b>(286,825)</b>	(277,911)	<b>(1,034,125)</b>	(494,727)
Share of (earnings) loss and capital transactions from equity-accounted investment	<b>223,487</b>	(25,190)	-	-	<b>223,487</b>	(25,190)
Unrealized (gain) loss on investments held for trading	<b>(415,345)</b>	1,276,190	-	-	<b>(415,345)</b>	1,276,190
Non-recurring charges	<b>19,479</b>	251,856	<b>19,480</b>	251,856	<b>38,959</b>	503,712
Adjustment to fair value of liabilities	-	(87,481)	-	-	-	(87,481)
Amortization	<b>5,149</b>	3,202	<b>5,149</b>	3,203	<b>10,298</b>	6,405
<b>Earnings (loss) before income taxes</b>	<b>(580,070)</b>	(1,635,393)	<b>(311,454)</b>	(532,970)	<b>(891,524)</b>	(2,168,363)
<b>Income taxes</b>						
Current					<b>(7,627)</b>	(259,390)
Future					<b>(282,481)</b>	(204,175)
					<b>(290,108)</b>	(463,565)
<b>Net earnings (loss) and comprehensive earnings (loss)</b>					<b>(601,416)</b>	(1,704,798)

### Merchant Banking Portfolio

The Company's investment portfolio had a fair value of \$1,219,594 as at June 30, 2009, having increased by \$577,449 since December 31, 2008. As a result of the increase in value of the Merchant Banking portfolio and transactional activity during the period, a net realized and unrealized gain of \$384,100 was reported during the six month period ended June 30, 2009, compared to a net realized and unrealized loss of \$1,167,268 during the same period in 2008.

### Shares-for-debt transaction

At a special meeting of the shareholders of Augen Gold Corp. ("AGC"), an investee company in the Merchant Banking portfolio, held on March 13, 2009, AGC shareholders approved a shares-for-debt transaction for the conversion of debt owed by AGC to Augen Capital Corp., into common shares. On April 7, 2009, AGC issued 7,479,010 common shares 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 \$169,412 as a result of this transaction during the six months ended June 30, 2009. The Company records its investment in AGC using the equity accounting method. The carrying amount of the investment has increased since December 31, 2008 by \$898,364. The increase is comprised of \$1,121,851 which represents the shares-for-debt conversion, partially offset by the Company's proportionate share of AGC's loss and capital transactions of \$223,487.

The full unaudited consolidated financial statements for the period ended June 30, 2009 are available at [www.augenc.com](http://www.augenc.com) or at [www.sedar.com](http://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.



*Shares outstanding: 36,615,615*

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For more information on Augen Capital, visit our website at [www.augencc.com](http://www.augencc.com)  
The Company's public documents may be accessed at [www.sedar.com](http://www.sedar.com)

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