



For Immediate Release

32,400,614 shares outstanding

Augen announces record first-half earnings, new Directors, and stock option grant

(Toronto, Ontario – September 14, 2006) Augen Capital Corp. (the "Company" or "Augen") (TSX-V: AUG) is pleased to announce consolidated financial results for the second quarter ending June 30, 2006.

- Consolidated income rose to \$1.3 million for the quarter (YTD \$3.2 million) from \$0.1 million for the same quarter (YTD \$0.5 million) last year.
- Consolidated expenses were \$1.5 million for the quarter (YTD \$1.8 million) from \$0.3 million (YTD \$1.3 million) last year.
- Consolidated earnings for the quarter before prior to a one-time charge were \$0.3 million (YTD \$0.6 million), up from a loss of \$0.2 million (YTD \$0.1 million) last year.
- Consolidated net assets at June 30, 2006 increased 60% to \$5.9 million compared to \$3.7 million last year.

Managed Products advisory and performance fees for Q2 2006 were \$0.2 million (\$1.5 million YTD) as compared to \$0.1 million for the same quarter (YTD \$0.1 million) in 2005, reflecting the substantial period over period increase in assets under administration and performance fees. *Merchant Banking* realized gains on the sale of investments significantly rose to \$0.9 million for Q2 2006 (\$1.5 million YTD) as compared to a marginal loss for the same quarter (\$0.4 million in YTD gains) in 2005, reflecting good resource deal flow and active trading of the investment portfolio in a strong resource market.

Managed Products expenses were \$0.7 million in Q2 2006 (\$0.9 million YTD) from \$0.2 million (\$0.4 million YTD) in 2005. Sales & marketing expenses increased to \$0.1 million for the quarter reflecting the addition of a new member on the sales team and a new internal investor relations role. Professional fees were \$0.1 million in Q2 2006 as compared to a nominal amount last year. The Company recorded a *one-time charge of \$0.3 million* in the current quarter to cover the amount of compensation due to Augen R2B and sundry expenses resulting from a NAV restatement. *Merchant Banking* expenses were \$0.8 million in Q2 2006 (\$0.9 million YTD) from \$0.1 million (\$0.2 million YTD) in 2005. Incentive compensation of \$0.5 million was accrued during the quarter as compared to NIL in 2005 related to investee company positions that have experienced significant unrealized market value appreciation during the quarter. An investment write-down provision of \$0.1 million was taken during the quarter as compared to NIL in 2005.

The Company's merchant banking portfolio is reported at cost on the financial statements. The market value of the portfolio is \$4.3 million at June 30, 2006 as compared to \$2.2 million in 2005. The net assets on a market value basis have substantially appreciated to \$8.6 million as at June 30, 2006 as compared to \$4.0 million at 2005. Please see note 8 to the Q2 2006 interim financial statements for further details.

The Company also announces the appointment of two new directors to the Board of the Company:

Lynda Bloom holds a M.Sc. in geoscience from Queen's University, Kingston, and has 30 years of experience in the mining industry. Her public company experience includes responsibilities in project generation, financing and regulatory compliance. She is recognized as a world-expert on assaying methods with over 40 technical presentations and publications to her credit. She is a director of the Prospectors and Developers Association of Canada and recently completed her term as Chair of the Canadian Institute of Mining and Metallurgy-Toronto Branch, as well as being on several government advisory boards.

Rod Whyte has over 30 years international experience in mining and natural resources markets. He is based in London, England, is Chairman of Moneta Porcupine Mines in Canada and of EastWest Timber in Russia as well as a consultant to several Australian or AIM listed companies. He is a member of the International Advisory Board of Sino Strategic International Limited an ASX listed company. In the past 25 years he has been Director of Sales and Research at TC Coombs & Co and was previously a mining analyst at Kleinwort Grieveson, now Dresdner Bank.

The Company announces that it has granted 650,000 stock options to directors, officers and consultants of the Company. The options are exercisable at a price of \$0.30 per share over a period of three years into common shares of the Company and are fully vested at the time of issuance. The options are subject to a four month Exchange hold period and regulatory approval.

About Augen Capital

Based in Toronto, Augen is a merchant bank specializing in the financing of early-stage resource companies and is an industry leader in tax-advantaged flow-through investments in Canada's resource sectors. The Company has over \$40 million in assets under management, including a core portfolio of emerging resource stocks, three Resource Flow-Through Limited Partnerships, and its mutual fund, Augen Resource Strategy Fund. Through a distribution force of national MFDA and IDA firms, Augen offers high-income and high net worth individuals resource flow-through tax sheltering, together with exposure to mineral, oil and gas exploration companies that are selected to potentially outperform the market. Investors in Augen, the public company, benefit from positions in over 150 emerging resource companies and merchant banking revenues derived from early stage financings.

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

The TSX Venture has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

This news release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the British Columbia Securities Commission and the United States Securities & Exchange Commission.