



For Immediate Release

Augen Limited Partnership 2005 announces second close

(Toronto, Ontario – October 31, 2005) Augen Capital Corp. (the "Augen") (TSX-V: AUG) is pleased to announce the second close on October 28, 2005 of the latest initial public offering. **Augen Limited Partnership 2005** (the "Partnership") has now raised \$5,068,000 to date.

The emerging resource flow-through Partnership prospectus offering is co-led by Berkshire Securities and IPC Securities. Syndicate members included Wellington West Capital and Foster & Associates. Selling Group members included CIBC Wood Gundy, Raymond James, Dundee Securities, Industrial Alliance, Union Securities, Jones Gable, TD Securities, Hampton Securities, and Northern Securities. FundTrade and IPC Investment Corp. participated via the offering memorandum & prospectus wrap.

Consistent with previous Augen partnerships, the 2005 Partnership will primarily invest in mining exploration companies with market capitalizations under \$15,000,000. Reflecting the evolution of Augen's investment strategy, the 2005 Partnership will also invest at least 25% of its assets in exploration companies with larger market capitalization. The 2005 Partnership will invest in gold, uranium, zinc and oil & gas exploration companies. This represents a section of commodities that Augen considers in short supply. Augen believes that any discoveries made by the Partnership's investee companies will have an excellent chance of being financed into production. The maximum offering for the Partnership is \$15,000,000.

Augen Limited Partnership 2004-1 is among the top performing flow-through products in the industry with a September 30, 2005 Net Asset Value ("NAV") per unit of \$110. Factoring in a 100% investment tax deduction, a federal tax credit of 15%, and varying provincial credits, the after-tax or break-even NAV for an Ontario resident is approximately \$63 per unit. This translates into cumulative after-tax investment performance for the Augen Limited Partnership 2004-1 of 74.6% to date.

The final close of the Augen Limited Partnership 2005 offering will be on November 30, 2005.

Augen is also pleased to announce the appointment of Jack Mullins to the Augen Capital Corp. Advisory Board. Mr. Mullins brings to Augen extensive experience evaluating resource company prospects during a period of more than 30 years with the consulting firm of Watts, Griffis & McOuat. Mr. Mullins joins an already distinguished Advisory Board made up of Robert Blair, Lee Barker, Bob Jackson, Hugh Squair and Rod Whyte.

About Augen Capital

Based in Toronto, Augen Capital is a merchant bank specializing in the financing of, and investment in, early stage resource companies and is an industry leader in tax-advantaged flow-through investments in Canada's resource sectors. Augen has raised over \$20 million from investors in ten previous limited partnerships. The Company now has over \$20 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 2 Balance Fund.

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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.