

AUGEN CAPITAL REPORTS 2010 FIRST QUARTER RESULTS

TORONTO, Ontario – May 27, 2010: Augen Capital Corp. (“Augen” or “the Company”) (TSX-V: AUG) today announced its unaudited interim consolidated financial results for the first quarter ended March 31, 2010.

In the quarter ended March 31, 2010, the Company reported income of \$70,412 compared to income of \$77,529 for the first quarter of 2009. The net loss was \$649,638 in the first quarter of 2010 compared to a net loss of \$399,524 in same quarter of 2009. In 2010, the Company reported an unrealized gain on investments held for trading of \$4,633 compared to an unrealized gain of \$168,234 in 2009. The net loss in 2010 was further increased by an income tax provision of \$10,337 in the first quarter of 2010 compared to an income tax recovery of \$189,300 in the same quarter of 2009.

The Company generates income primarily through the activities of its Merchant Banking (MB) segment, the strength of which is closely related to global market conditions and the general economic environment. Management believes the current general market conditions have improved and expects the recent trend of improvement in the Company’s MB investment portfolio to continue in 2010. The MB investment portfolio has recovered by 150% since its low at the end of 2008 and is demonstrated by the Company recording unrealized gains on its investments held for trading for five consecutive quarters since 2008. The value of the MB portfolio remains lower by approximately 36% from the levels prior to the recent global economic downturn which started on or around Q2 2008, and is the result of fluctuations in fair value of the portfolio and transactional activity.

The Managed Products (MP) consulting asset base declined by 48% year-over-year at March 31, 2010, which is primarily the result of fluctuations in fair value of the MP consulting asset base and the redemption of assets from the RS Fund, now the Exemplar Portfolios Ltd. Further, Augen has not offered or consulted on any new flow-through limited partnerships since mid-2008.

Consolidated expenses decreased by \$89,190 in the first quarter of 2010 compared to the first quarter of 2009. A key factor which contributed to the reduction in consolidated expenses was that the Company was able to cap certain operational expenses pursuant to the Management Agreement entered into with OreReserve Asset Management Inc. (“OreReserve”).

Consolidated Statements of Operations and Comprehensive Earnings

<i>For the three months ended March 31,</i>	Merchant Banking		Managed Products		Total	
	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$
Income (loss)	66,941	45,703	3,471	31,826	70,412	77,529
Expenses	487,360	431,718	30,390	175,222	517,750	606,940
Earnings (loss) before undernoted items	(420,419)	(386,015)	(26,919)	(143,396)	(447,338)	(529,411)
Share of (earnings) loss and capital transactions from equity-accounted investment	192,160	185,617	-	-	192,160	185,617
Unrealized (gain) loss on investments held for trading	(4,633)	(168,234)	-	-	(4,633)	(168,234)
Non-recurring charges	-	18,441	-	18,440	-	36,881
Amortization	3,992	2,575	444	2,574	4,436	5,149
Earnings (loss) before income taxes	(611,938)	(424,414)	(27,363)	(164,410)	(639,301)	(588,824)
Income taxes						
Current					(328)	(14,066)
Future					10,665	(175,234)
					10,337	(189,300)
Net earnings (loss) and comprehensive earnings (loss)					(649,638)	(399,524)

Merchant Banking Portfolio

The Company's investment portfolio had a fair value of \$1,608,191 as at March 31, 2010, having increased by \$797,812 year-over-year, a 98% increase. As a result of the increase in value of the MB portfolio and transactional activity, the Company reported an unrealized gain on investments held for trading for five consecutive quarters, and has reported a net realized gain for the quarter for the first time since the recent global economic downturn of 2008; a realized gain of \$18,159 was reported during the quarter.

Investment in Augen Gold Corp. ("AGC")

Non-revolving secured loan facility

In November 2009, the Company agreed to provide a non-revolving secured loan facility to a maximum of \$1,100,000 to AGC at an interest rate of 12% per annum. AGC drew \$269,432 from the facility and that amount remained outstanding at the end of March 31, 2010. Pursuant to the terms of the loan facility, the outstanding loan balance of \$269,432 plus accrued interest was repaid by AGC from proceeds of its first closing of a brokered private placement on May 14, 2010. The loan settlement proceeds were held in trust until the security over all the real and personal property of AGC including all the staked and patented mining claims, was removed by the Company. The proceeds were released from trust on May 20, 2010, at which time the security over all the real and personal property of AGC including all the staked and patented mining claims was removed, and accrued interest of \$12,573 was paid to the Company.

Non-cash share of loss and capital transactions

The carrying amount of the Company's equity-accounted investment in AGC has decreased since December 31, 2009 by \$192,160 to \$937,945 at March 31, 2010. The decrease represents the Company's proportionate share of AGC's loss and capital transactions for the quarter.

Effective May 20, 2010, as a result of the private placement completed by AGC, the Company owns approximately 15% of the issued and outstanding common shares of AGC. The Company's investment in AGC will no longer be accounted for under CICA Handbook Section 3051 and will instead be accounted for as an investment held for trading, as the Company no longer has significant influence over AGC. This change will be reflected in the Company's financial statements for the quarter ended June 30, 2010. Any variations between the current carrying value and fair value of the investment will be reported in earnings as unrealized appreciation or depreciation in the value of the investment.

As at May 26, 2010, based on the closing price per share, the market value of the Company's investment in AGC was \$1,843,042.

The full interim unaudited consolidated financial statements for the quarter ended March 31, 2010 are available at www.augenc.com or at www.sedar.com.



Shares outstanding: 36,615,615

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.

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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

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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 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.