



For Immediate Release

Shares outstanding 32,400,614

**AUGEN LIMITED PARTNERSHIP 2005 ANNOUNCES
APPROVAL OF MUTUAL FUND ROLLOVER TRANSACTION**

(Toronto, Ontario December 20, 2006) Augen Capital Corp. ("Augen") (TSX-V: AUG), announces, through Augen General Partner XI Inc., a wholly-owned subsidiary of Augen Capital, that at a special meeting of the limited partners of Augen Limited Partnership 2005 (the "Partnership") held on Monday, December 18, 2006, the limited partners voted to approve the transfer of the assets of the Partnership to Augen Resource Strategy Fund Inc. (the "Mutual Fund"), in consideration for shares of the Mutual Fund, on a tax-deferred basis, and the subsequent dissolution of the Partnership (the "Mutual Fund Rollover Transaction"). The limited partners also voted, by special resolution, to amend certain provisions of the limited partnership agreement to facilitate the Mutual Fund Rollover Transaction.

It is expected that the assets of the Partnership will be acquired by the Mutual Fund on or about December 29, 2006 and that the Mutual Fund Rollover Transaction will be completed prior to February 23, 2007. Upon the dissolution of the Partnership on or about February 23, 2007, shares of the Mutual Fund will be distributed to limited partners. The shares of the Mutual Fund will be redeemable upon receipt.

The net asset value of the Partnership at November 30, 2006 was \$151.51 representing an after-tax return of 141% and is one of the top performing flow-through products in the industry. The Partnership investment portfolio included 60% in cash and equivalents at November 30, 2006.

The Augen Limited Partnership 2007 offering will be available for sale on or around the closing of the Mutual Fund Rollover Transaction.

About Augen Capital

Based in Toronto, Augen 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 \$40 million in flow-through limited partnership assets in the last four years. The Company now has under management a core portfolio of primarily emerging resource stocks, two Resource Flow-Through Limited Partnerships, and its mutual fund, Augen Resource Strategy Fund.

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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.