



Shares outstanding: 36,615,615

Augen Capital Files Proxy Circular For March 13th Special Meeting of Shareholders of Augen Gold

Toronto, Ontario – February 20, 2009: Augen Capital Corp. (Augen Capital) (TSX-V: AUG) announced today it has filed its Notice and Proxy Circular for the Special Meeting of Shareholders of Augen Gold Corp. (Augen Gold) (TSX-V: AUJ), and is mailing the circular to Augen Gold shareholders.

As a concerned shareholder, Augen Capital is acting on its right to convene the Special Meeting of Augen Gold, since the Directors of Augen Gold failed to respond to Augen Capital's December 18, 2008 requisition for such a meeting.

Augen Capital called the meeting because it believes the current Board of Directors of Augen Gold must be restructured because it is not serving the best interests of shareholders and is endangering the future of the Company.

Fellow shareholders are advised that the Meeting, originally scheduled for March 10, 2009 will now be held on Friday, March 13, 2009 at 10 a.m. (Toronto time) in the offices of Stikeman Elliott LLP (details below).

Augen Capital called the Special Meeting to: fix the number of directors of Augen Gold at four; to replace two of the current Directors of Augen Capital with nominees Augen Capital believes will serve shareholders more responsibly, and: to approve a debt-to-shares conversion which would allow Augen Gold repay the \$1.1 million outstanding debt owed to Augen Capital on terms highly favourable to Augen Gold shareholders while conserving Augen Gold's cash position.

The independent nominees who were originally proposed by Augen Capital are A. Timothy Peterson and James Sbrolla. They have been joined by Louis J. Sapi, who is replacing Tony Busseri on the slate.

Mr. Sapi is a significant shareholder of Augen Gold. He is a chartered accountant who established his own practice as a sole proprietor in 1985, and in January 2001 merged with, and became managing partner and Chief Executive Officer of McWilliams Sapi Hinchcliffe, Chartered Accountants LLP, (now HS & Partners LLP, Chartered Accountants). His experience includes serving as a director and chair of the audit committee of Volcanic Metals Exploration, a TSX listed company, from 2001 to 2006; an advisor to the board of directors of Ocean Lake Industries, a TSX listed company, from 2002 to 2008; chairman of the board of the Bluebird Group of Companies from 1998 to 2006; and Chief Executive Officer of The Office Mover, a Toronto-based service company, from 2004 to present. Mr. Sapi is the founder and chairman of The Charger Foundation, a charitable foundation with which he has been involved since 2001. He is currently a director of the Jane Goodall Institute of Canada, for which he also serves as a member of the executive committee and chair of the audit committee.

The Proxy Circular is accompanied by a letter to Augen Gold shareholders. The full text of that letter follows:

Time for a Change

Special Meeting of the Shareholders of Augen Gold Corp.- March 13, 2009

February 17, 2009

Dear Fellow Shareholder of Augen Gold;

As a concerned shareholder, we believe change is urgently needed at the Board of Directors of Augen Gold Corp. The Company is speeding towards a financial precipice and two of its incumbent directors are doing nothing to stop it.

As the founding and largest registered shareholder of Augen Gold as well as its largest lender, Augen Capital Corp. is asking for your help to make the necessary changes at Augen Gold before it is too late. We have called a special meeting of shareholders that will enable us to make that change together.

Augen Gold is rapidly running out of money.

The Company that you and we own, Augen Gold, has limited cash remaining from its initial public offering. With the issuance of flow-through shares as part of the IPO, it committed to spend more than \$3.3 million on Canadian Exploration Expense – CEE. As of September 30, 2008, Augen Gold had incurred only about \$493,700 of the CEE commitment and did not have enough cash on hand to enable it to meet its flow-through obligations. Furthermore, Augen Gold has borrowed more than \$1.1 million from Augen Capital in the form of a demand loan.

Augen Capital has confidence in the potential of Augen Gold – under the direction of the right Board. Recognizing the need to retain cash in the Company, Augen Capital spent more than six months in negotiations with the Board of Augen Gold in an attempt to reach a solution that would allow the Company to repay the demand loan through a Debt-to-Shares Conversion. Throughout that period, and since, Augen Capital has been rebuffed or ignored by two directors, Joseph Leeder and James Stephenson.

In our view, the Debt-to-Shares Conversion is both logical and vital to Augen Gold. It is also logical and vital to replace the directors who have stood in its way. Their opposition appears unfounded and irrational and we believe it is not in the best interests of Augen Gold or its shareholders.

The obstruction of these two Incumbent Directors has prevented Augen Gold from making progress on its promising Swayze Property or in addressing its increasingly precarious financial position. We believe it has also led to the resignation of two other independent directors from the Board.

The Special Meeting of Shareholders

As a concerned shareholder, Augen Capital has called a special meeting of the shareholders of Augen Gold because the current Board could not – or would not – respond to a legitimate requisition that the Company call the meeting itself. The Special Meeting will be held at the offices of Stikeman Elliott LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, M5L 1B9 on Friday, March 13, 2009 at 10:00 a.m. (Toronto time).

Please note that, because Augen Gold did not call the Special Meeting, it cannot establish a record date for voting at the Special Meeting. Therefore, under applicable law, the record date for voting is the business day prior to issuance of the notice of the Special Meeting, in this case, February 13, 2009.

The Concerned Shareholder is asking you to vote the enclosed proxy in favour of four resolutions that would allow Augen Gold to move forward:

Resolution 1: fixing the number of directors at four

Resolution 2: the removal of the Incumbent Directors (Joseph Leeder and James Stephenson) as directors of Augen Gold

Resolution 3: the election of the Concerned Shareholder's Nominees (A. Timothy Peterson, Louis Sapi and James Sbrolla) as directors of Augen Gold

Resolution 4: implementation of the Debt-to-Shares Conversion

Full details of each of these resolutions are included in the enclosed proxy circular. We recommend that you to read the Circular so you can make an informed decision, and we ask you to vote your WHITE proxy for change.

You should understand that, if the Concerned Shareholder's Nominees are elected to the Board, but the Debt-to-Shares Conversion is not approved, Augen Capital will attempt to negotiate a commercially reasonable proposal to settle the demand loan with the new Board. If shareholders do not elect the Concerned Shareholder's Nominees and do not approve the conversion, Augen Capital will consider all of its legal options to ensure repayment of the demand loan.

For more information about voting your WHITE proxy at the Special Meeting, please contact Augen Capital at 1-888-442-8436.

Time is short. We urge you to act today for the future of Augen Gold.

Sincerely,

(Signed)

Tony Busseri
Director

(Text of letter ends)

The letter and full Proxy Circular are available at www.sedar.com as well as the website of Augen Capital. www.augence.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.

For further information please contact:

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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.
