



For Immediate Release

Shares outstanding: 36,280,614

***AUGEN CAPITAL provides update on Augen Gold Corp.***

**(Toronto, Ontario – February 29, 2008) Augen Capital Corp. ("Augen") (TSX-V: AUG)** is pleased to announce that the preliminary prospectus for Augen Gold Corp. ("**Augen Gold**") has been filed and received by the securities regulatory authorities in each province of Canada, except Quebec.

The prospectus qualifies the distribution to the public (the "**Offering**") of a minimum of \$2,000,000 and a maximum of \$4,000,000 in common shares ("**Common Shares**") of Augen Gold at a price to be determined per Common Share, and a minimum of \$2,000,000 and a maximum of \$5,000,000 in common shares issued on a "flow-through" basis ("**Flow-Through Shares**") under the *Income Tax Act* (Canada) (the "**Tax Act**") at a price to be determined per Flow-Through Share, pursuant to an agency agreement (the "**Agency Agreement**") to be entered into between Augen Gold and Union Securities Ltd. (the "**Agent**"). Augen Gold will also grant to the Agent an over-allotment option (the "**Over-Allotment Option**") to purchase up to 15% of the Common Shares and up to 15% of the Flow-Through Shares sold in the Offering at a price to be determined.

The proceeds will provide funding for Augen Gold to proceed with the Phase I and Phase II exploration program recommended by Augen Gold management and in the National Instrument 43-101 ("**NI 43-101**") compliant technical report entitled "Technical Report on the Augen Gold Corp. Claims, Porcupine Mining Division, District of Sudbury, Ontario, Canada" dated December 11, 2007 authored by Stephen M. Keller of Behre Dolbear & Company Ltd., an independent Qualified Person.

*Drill Program Update*

Augen Gold commenced drilling at the Jerome Property on January 3, 2008. As of February 11, 2008, eleven holes have been completed totaling 5,800 metres of the 10,000 metre Phase 1 drilling program and Augen Gold is awaiting assay results. The Phase I and II drilling programs are designed to confirm the historic resource of the Jerome Mine and to test for an extension of the mineralized zones along strike.

*Acquisition of claims*

Augen Gold acquired an additional six unpatented mining claims in the township of Huffman on December 18, 2007 for \$27,500 in cash. This acquisition is important in that Augen Gold now has a contiguous set of claims over the area that is approximately 200 square kilometers, 8 kilometres wide and 45 kilometres long.

"We are delighted with the progress to date of our technical program which is ahead of schedule. We look forward to a successful initial public offering," said Michael G. Fowler, President - Structured Products, Augen Capital and President of Augen Gold.

*About Augen Gold*

Augen Gold Corp. is a junior gold exploration company with mining claims located in the Swayze Greenstone Belt and covering an area of approximately 200 square kilometers, 8 kilometres wide and 45 kilometres long, including the formerly producing Jerome gold mine and directly adjacent to the Young Shannon gold deposit. The company's objective is to aggressively explore the Jerome mine in order to confirm existing and identify additional NI 43-101 compliant gold resources, to explore the gold potential along strike on the contiguous mining claims, and to continue to expand its property portfolio with highly prospective mineral assets.

*About Augen Capital*

Augen Capital Corp. 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 \$58 million in flow-through limited partnership assets since inception. Augen currently has \$38 million in flow-through investment consulting assets, including \$36 million raised since 2007 by Augen and its sales and distribution partner. 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:

Michael G. Fowler  
President - Structured Products, Augen Capital  
President, Augen Gold Corp.  
Tel: 416-777-2007 Ext 224  
Toll-free: 888-442-8436 Ext 224

For more information on Augen Capital, visit our website at [www.augenc.com](http://www.augenc.com)  
The company's public documents may be accessed at [www.sedar.com](http://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 forward-looking statements. These statements are based on certain factors and assumptions as set forth in this new 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's and investee companies. Additional risks and uncertainties can be found in our 2006 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.