



*Shares outstanding: 36,615,615*

## **Augen Capital Calls Special Meeting of Shareholders of Augen Gold**

**Toronto, Ontario – January 14, 2009: Augen Capital Corp. (Augen Capital) (TSX-V: AUG)** announced today it will convene a Special Meeting of Shareholders of Augen Gold Corp. (Augen Gold) (TSX-V: AUJ), that will take place on Tuesday, March 10, 2009 at 10:00 a.m. EST at the offices of law firm Stikeman Elliot LLP.

Augen Capital requisitioned the Directors of Augen Gold on December 18, 2008 to call a Special Meeting of its shareholders. However, the Board of Augen Gold failed to do so in the time permitted to call a meeting and did not announce the creation of a special committee to consider the requisition until January 9, 2009. As a result of the Board's failure to act in accordance with security regulations, Augen Capital is acting on its right to convene the Special Meeting of Shareholders of Augen Gold.

Augen Capital will issue a proxy circular shortly and in time to allow Augen Gold shareholders to consider the business to be brought before the meeting.

At the Special Meeting, shareholders of Augen Gold will be asked to vote on the following:

- A debt-to-share conversion whereby Augen Gold would issue to Augen Capital 8,974,808 common shares in Augen Gold at an issue price of \$0.125 per share, which would repay the \$1.1 million outstanding debt owed to Augen Capital on terms highly favourable to Augen Gold shareholders and conserve Augen Gold's cash position;
- The removal of the current Directors of Augen Gold, to be replaced by the following new slate of Directors:

**Tony Busseri** – A Director of Augen Capital, Mr. Busseri has held a variety of senior executive positions and has served on a number of Boards of Directors. He is currently Executive Vice President of Hanfeng Evergreen Inc (TSX: HF) the largest producer of slow and controlled release fertilizers in China. Previously, Mr. Busseri served as the President and Chief Executive Officer of EnGlobe Corp. (TSX: EG) and is the co-founder of Growth Equity Partners, an advisory firm specializing in transformational business initiatives support for small and medium sized public and private companies. He also co-founded Waste Services Inc. (NASDAQ:WSII) and was its Chairman of the Board of Directors and Chief Executive Officer from June 1997 to August 2000. Prior to that, Mr. Busseri served as the President and CEO of Cole Carriers Inc. and held various corporate development positions with Philip Services Corp. and with Laidlaw Waste Systems. Mr. Busseri is a Certified Management Accountant.

**A. Timothy Peterson** – Mr. Peterson has over 35 years of executive experience assisting public and private companies reach new levels of success. A Member of the Parliament of Ontario from 2003 to 2007, he is currently the Chairman of the Board and Chief Financial Officer of Nordex Explosives Ltd (TSX-V: NXX), a company he helped stabilize following a hostile public



takeover. Prior to serving as an MPP, Mr. Peterson served on the Boards of Directors of: Bag to Earth, a manufacturer of compostable paper bags; Process Capital Ltd., a public company that has a patented process for turning waste oil into diesel fuel; Northern Crown Capital; Tracom Ltd., and a number of other private businesses.

**James Sbrolla** – Mr. Sbrolla is a veteran of both the financial services and environmental industries. Currently, he is Chairman of Environmental Business Consultants and the Manager of a private equity fund. Mr. Sbrolla also serves on the Boards of three private companies: WE Communications; Actual Media; and, Green Students Fundraising. A widely published journalist in the business media, he has written on a variety of topics including a multi-national study on finance, the environment and sustainable development. Previously, Mr. Sbrolla was a Partner and Investment Advisor with Canaccord Capital.

- Any other business as may properly come before the Special Meeting, including matters necessary to implement the first two items.

“It is unfortunate that the current Board of Augen Gold has failed in their duty to respond in a timely manner to the requisition from its largest and founding shareholder, to convene a Special Meeting of Shareholders of Augen Gold,” said J. David Mason, Chairman and CEO of Augen Capital. “This failure continues a pattern of behaviour in which the Board has failed to respond to critical overtures from Augen Capital that would help Augen Gold preserve cash. We believe it is clear that the current Board is not acting in the best interests of Augen Gold shareholders.”

On January 6, 2009, Augen Capital wrote to Augen Gold director Joe Leeder demanding his immediate resignation since it was apparent that Mr. Leeder was not acting for Augen Gold but in the interests of his employer, Envoy Capital Group Inc., a shareholder of Augen Gold. Mr. Leeder has yet to respond to the demand for his resignation.

Augen Capital previously announced that it had proposed to negotiate a new Management Services Agreement that would have been at a reduced net cost to Augen Gold of \$8,500 per month, to assist in the preservation of cash at Augen Gold. In addition, Augen Capital has proposed the repayment of the loan from Augen Capital through conversion into shares of Augen Gold.

### **Special Meeting of Augen Gold Shareholders**

Date: March 10, 2009

Time: 10:00 a.m. EST

Location: Stikeman Elliot LLP, 5300 Commerce Court West, 199 Bay Street, Toronto

### ***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:

J. David Mason  
Chairman, President and Chief Executive Officer  
Tel: 416-479-3300  
Toll-free: 888-442-8436

[investorrelations@augencc.com](mailto:investorrelations@augencc.com)

For more information on Augen Capital, visit our website at [www.augencc.com](http://www.augencc.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.*

---