



For Immediate Release

Shares outstanding: 36,515,615

Augen Capital Reports First Quarter Results

- Results affected by change to accounting policy for fair value of investment portfolio
- Reduced Q1 operating expenses by 44% from the same period in 2007
- Achieved record Q1 growth in consulting asset base

TORONTO, Ontario – May 29, 2008: Augen Capital Corp. ("Augen") (TSX-V: AUG) today announced its unaudited interim consolidated financial results for the three-month period ended March 31, 2008.

Note: The adoption of CICA Handbook Section 3855, which requires the reporting of unrealized fluctuations in the fair value of the Merchant Banking investment portfolio, has resulted in greater volatility in the net earnings of Augen since it was adopted in the first quarter of 2007. While these accounting standards provide insight into the current fair value of the Merchant Banking investment portfolio, they do not necessarily provide an accurate indication of the ultimate realized gain or loss, which will be different.

Augen's income for the first quarter was \$208,000, after realized losses of \$191,000 from the sale of investments, compared with income of \$667,000 in the same period of 2007, when Augen recorded realized gains of approximately \$138,000.

The net loss for the quarter was \$746,000, or \$0.02 per share, basic and diluted, compared with a net loss of \$530,000 or \$0.01 per share, basic and diluted, in the same quarter of 2007.

In the latest quarter, the net loss before income taxes and before the unrealized loss on the Merchant Banking segment investment portfolio of \$569,000 resulting from the adoption of the new accounting policy was relatively unchanged from a year earlier at \$342,000 or \$0.01 per share.

Cash flow used in operating activities, before changes in non-cash working capital, decreased in the first quarter to \$67,000 compared with \$197,000 of cash used in the same quarter of 2007.

Consolidated assets decreased by 6.0% to \$10.6 million at March 31, 2008 from \$11.3 million at December 31, 2007. Augen continues to maintain a solid balance sheet with more than \$5 million in current assets and no long-term debt.

"Market conditions for junior mining companies were particularly challenging during the first quarter of this year, despite good fundamentals for many of them. This, combined with the change in accounting policies, was largely responsible for unrealized losses in the latest quarter and the Company's reported net loss," said Michael G. Fowler, Interim Chief Executive Officer of Augen. "We have taken action to reduce expenses, and this was reflected by a 44% decrease in operating expenses in the quarter compared with the first quarter of 2007."

In the first quarter of 2008, the Company's Merchant Banking segment reported a loss of \$359,000 before income taxes, unrealized losses on investments, adjustment of the fair value of



liabilities and amortization, compared to a loss of \$134,000 in the first quarter of 2007. The loss in the first quarter of 2008 was the result of the disposition of non-performing investments which has created additional liquidity in the portfolio. Augen intends to use this additional liquidity to pursue new Merchant Banking investment opportunities. Net realized loss on the sale of certain Merchant Banking investments was \$191,000 in the first quarter of 2008 compared with net realized gains of \$138,000 in the same period of 2007.

In the Managed Products segment, the loss before income taxes and amortization decreased to \$7,000 in the first quarter of 2008 from a loss of \$220,000 a year earlier.

Outlook

As a result of the sales and distribution agreement with BluMont Capital, the Managed Products segment broadened its consulting asset base in the first quarter by more than in any other first quarter in the Company's history. Increased revenues from the expanded asset base were apparent by the end of the first quarter and Augen expects increased positive results from the distribution agreement in future quarters.

"The junior mining companies we work with have been hit hard by recent market fluctuations but we remain convinced there are good opportunities for Augen and its shareholders in this environment," said Mr. Fowler. "Revenue should recover over the balance of 2008, as we believe the investments in our Merchant Banking portfolio show good upside potential in the near-term. Also, the Managed Products segment should increasingly reflect benefits from the sales and distribution agreement with BluMont Capital."

The full unaudited interim consolidated financial statements for the quarter ended March 31, 2008 are available at www.augenc.com or at www.sedar.com. Extracts for the three-month period ended March 31, 2008 are:

Consolidated Statements of Earnings

<i>For the three months ended March 31,</i>	Managed Products		Merchant Banking		Total	
	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$
Income (loss)	220,148	504,359	(12,633)	162,848	207,515	667,207
Expenses	226,971	724,000	346,018	296,654	572,989	1,020,654
Earnings (loss) before undernoted items	(6,823)	(219,641)	(358,651)	(133,806)	(365,474)	(353,447)
Unrealized loss on investments held for trading	-	-	568,764	260,768	568,764	260,768
Adjustment to fair value of liabilities	-	-	(26,712)	-	(26,712)	-
Amortization	1,602	1,485	1,601	1,485	3,203	2,970
Earnings (loss) before income taxes	(8,425)	(221,126)	(902,304)	(396,059)	(910,729)	(617,185)
Income taxes						
Current					(54,451)	(44,460)
Future					(110,294)	(42,455)
					(164,745)	(86,915)
Net earnings (loss) and comprehensive earnings (loss)					(745,984)	(530,270)

Consolidated Assets

<i>As at,</i>	Managed Products		Merchant Banking		Total	
	March 31, 2008	December 31, 2007	March 31, 2008	December 31, 2007	March 31, 2008	December 31, 2007
	\$	\$	\$	\$	\$	\$
Total assets	757,777	733,415	9,844,178	10,550,270	10,601,955	11,283,685
Shareholders' equity per share					0.27	0.29



About Augen Capital

Augen Capital Corp. (TSX-V: AUG) ("Augen") 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 \$47 million in flow-through investment consulting assets, including \$28 million raised in 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.

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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 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.