



News Release

For Immediate Release
TSX Venture: "AUG" – Close: \$0.22

February 4, 2004
Shares outstanding: 18,577,022

Augen Capital Corp. Announces Closing of Financing for \$1 Million and Appointments to the Board

(Toronto, Ontario) Augen Capital Corp. (the "Corporation" or "Augen") (**TSX: AUG**) is pleased to announce completion of a \$1 million private placement best efforts financing with First Associates Investments Inc. (the "Agent" or "First Associates") as lead agent. This transaction was previously announced on January 14, 2004, and is subject to final regulatory approval by the TSX Venture Exchange.

The placement consists of 6.25 million units at 16 cents per unit, with each unit consisting of one common share and one common share purchase warrant. Each common share purchase warrant will entitle the holder to purchase an additional common share of the Corporation at a price of 30 cents per share until January 30, 2005. In the event the shares trade at or above a price of 45 cents for a period of 21 consecutive days, Augen has the right to require the exercise of the common share purchase warrants.

First Associates will be compensated with an 8% commission in cash and options equal to 10% of the placed units. IPC Securities Corporation participated in the offering as part of the First Associates syndicate.

Augen and its directors view this financing as another significant step forward for the Corporation, and it complements the success of its Resource Flow Through Limited Partnership program. Funds will be used to strengthen its portfolio with non flow-through placements in emerging companies, as well as for working capital. On completion of this financing and warrant exercise, Augen will have over \$20 million under management, together with a substantial recurring fee income to sustain its operations.

Augen would also like to announce the addition, subject to regulatory approval, of two new members to the Board of Directors, being Mr. Gerald P. McCarvill, and Mr. Stan Bharti. These two executives bring a wealth of experience to Augen and are a valuable complement to the present directors and management team.

Augen maintains an independent advisory board, for the review of early stage resource exploration company financing. Its portfolio is comprised of over 120 positions in emerging resource stocks directly held and through its Resource Flow-Through Limited Partnership management.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.