



For Immediate Release

Shares outstanding: 36,280,614

### **AUGEN reports Q3 2007 results**

**(Toronto, Ontario – November 30, 2007) Augen Capital Corp. ("Augen") (TSX-V: AUG)** is pleased to announce its interim consolidated financial results for the third quarter ended September 30, 2007. The highlights are as follows:

- Income for the quarter was unchanged at \$0.8 million as compared to the same quarter in 2006;
- Net realized gains on the sale of *Merchant Banking* ("MB") investments was \$0.1 million, offset by an unrealized loss of \$2.3 million reflecting the unrealized decline in the fair value of the MB portfolio;
- Expenses for the quarter increased to \$0.9 million from \$0.6 million for the same quarter in 2006;
- Fair value of consolidated assets increased 16% to \$11.9 million at September 30, 2007 from \$10.3 million at December 31, 2006.

The 2007 adoption of CICA Handbook Section 3855, which now requires the reporting of unrealized fluctuations in the fair value of the MB investment portfolio, has resulted in greater volatility in the net earnings of Augen beginning in Q1 2007. These accounting standards provide insight into the current fair value of the MB investment portfolio, but do not necessarily provide an accurate indication of the ultimate realized gain or loss, which will be different. This is the first year in which unrealized fluctuations in the MB investment portfolio have been recorded.

The Q3 2007 net earnings, before the unrealized loss on MB investment portfolio of \$2.3 million as described above, were \$0.2 million or \$0.01 per share, as compared to earnings of \$0.1 million or \$0.00 per share in Q3 2006. Net realized gains on the sale of MB investments was \$0.1 million for the quarter as compared to \$0.2 million in 2006.

The unrealized loss on the MB investment portfolio was \$2.3 million for the quarter which reflects an unrealized decline in the fair value of the MB investment portfolio during the quarter. There is no comparative in 2006 due to the prospective application of CICA Handbook Section 3855. The fair value of liabilities, previously reported in the amount of \$0.9 million in Q1 2007 and charged directly to retained earnings as a transitional adjustment under CICA Handbook Section 3855, was adjusted to \$0.3 million during the quarter by way of a charge to the Statement of Earnings and Comprehensive Earnings. The corresponding future taxes were also adjusted during the current quarter.

Year-to-date earnings before income taxes for the MB segment, and prior to unrealized losses of \$4.3 million on investments held for trading, and prior to the change in fair value of liabilities of \$0.5 million, was \$0.6 million on year-to-date income of \$1.9 million.

Year-to-date earnings before income taxes for the *Managed Products* ("MP") segment, and prior to non-recurring charges, was \$0.2 million on year-to-date income of \$1.4 million. The MP segment results include \$0.2 million in non-recurring charges consisting of \$0.1 million related to the flow-through sales and distribution agreement, and \$0.1 million in non-recurring professional advisory fees and charges related to new product initiatives.

Results for the MP segment will be more meaningful once all fees associated with the flow-through consulting assets raised in the year are realized. Fees, such as due diligence fees, may be earned on the balance of approximately \$28 million in consulting assets to be invested prior to December 31 of each year with only a marginal impact on operating costs. Performance fees, as applicable, on prior Augen limited partnerships, are only reported when the net assets are acquired by the Augen Resource Strategy Fund.

"The Q3 2007 net loss of \$2.0 million or \$0.06 per share was impacted by \$2.5 million or \$0.07 per share in unrealized losses, the change in fair value of liabilities, and non-recurring items. Investments contained in our Merchant Banking portfolio show good upside potential in the near-term. The Managed Products segment should increasingly reflect benefits from the sales and distribution agreement with BluMont Capital Corporation with higher capital raises which will be accretive to earnings going forward", said George D. Elliott, CEO of Augen.

The interim consolidated financial statements for the quarter ended September 30, 2007 are available at [www.augenc.com](http://www.augenc.com) or at [www.sedar.com](http://www.sedar.com). Extracts for the quarter ended September 30, 2007 are attached below:



**Consolidated Statements of Earnings**

	Managed Products		Merchant Banking		Total	
	<i>As Restated</i>		<i>As Restated</i>		<i>As Restated</i>	
	2007	2006	2007	2006	2007	2006
<i>For the nine month period ended September 30,</i>						
	\$	\$	\$	\$	\$	\$
<b>Income</b>	<b>1,366,004</b>	1,368,437	<b>1,913,469</b>	1,965,519	<b>3,279,473</b>	3,333,956
<b>Expenses</b>	<b>1,360,561</b>	1,323,849	<b>1,278,905</b>	634,176	<b>2,639,466</b>	1,958,025
<b>Earnings before undernoted items</b>	<b>5,443</b>	44,588	<b>634,564</b>	1,331,343	<b>640,007</b>	1,375,931
<b>Unrealized loss on investments held for trading</b>	-	-	<b>4,272,282</b>	-	<b>4,272,282</b>	-
<b>Adjustment to fair value of liabilities</b>	-	-	<b>(481,334)</b>	-	<b>(481,334)</b>	-
<b>Amortization</b>	<b>4,957</b>	4,787	<b>4,956</b>	4,786	<b>9,913</b>	9,573
<b>Earnings (loss) before income taxes</b>	<b>486</b>	39,801	<b>(3,161,340)</b>	1,326,557	<b>(3,160,854)</b>	1,366,358

**Consolidated Assets**

	Managed Products		Merchant Banking		Total	
	September 30, 2007	December 31, 2006	September 30, 2007	December 31, 2006	September 30, 2007	December 31, 2006
	\$	\$	\$	\$	\$	\$
<i>As at,</i>						
<b>Total assets (excluding goodwill)</b>	<b>397,680</b>	1,231,869	<b>11,411,762</b>	9,037,267	<b>11,809,442</b>	10,269,136
<b>Goodwill</b>	-	-	<b>62,014</b>	-	<b>62,014</b>	-
	<b>397,680</b>	1,231,869	<b>11,473,776</b>	9,037,267	<b>11,871,456</b>	10,269,136

*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](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.***

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.