

February 12, 1999

SYMBOL: "SHN.UN" - TSE

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

SHININGBANK ENERGY 1998 INCOME TAX INFORMATION

Shiningbank Energy Management Inc., manager of the Shiningbank Energy Income Fund (the "Fund"), today announced that distributions to unitholders in 1998 were 85.62% tax deferred. The accompanying table sets out the distributions received by unitholders in 1998 and indicates what portion of each distribution is taxable as income and what portion is considered to be a reduction of the unitholder's adjusted cost base ("ACB").

Unitholders holding their investment in a Registered Retirement Savings Plan, Registered Retirement Income Fund or Deferred Profit Sharing Plan should not report any income related to unit distributions on their 1998 income tax return. Those holding their units outside such plans will receive a T3 Supplementary Slip from the Fund's Trustee, if they are fully registered unitholders, or from their broker, and must report the taxable portion of distributions which they received as "Other Income" on their 1998 income tax return in accordance with the following table. The distribution for the fourth quarter of 1998 was paid on January 15, 1999 and will therefore not be included in the 1998 T3 amounts.

Amounts received which were not taxable (i.e. 85.62% of distributions) are not reported on the T3 and reduce the ACB of the units for purposes of calculating capital gains or losses upon disposition of the units.

<u>Record Date</u>	<u>Payment Date</u>	<u>Distribution (\$ per unit)</u>	<u>Taxable Income (\$ per unit)</u>	<u>ACB Reduction (\$ per unit)</u>
Dec. 31, 1997	January 15, 1998	\$0.40	\$0.0575	\$0.3425
March 31, 1998	April 15, 1998	\$0.37	\$0.0532	\$0.3168
June 30, 1998	July 15, 1998	\$0.35	\$0.0503	\$0.2997
Sept. 30, 1998	October 15, 1998	\$0.35	\$0.0503	\$0.2997
Total		\$1.47	\$0.2113	\$1.2587

Shiningbank Energy Income Fund is a conventional oil and gas royalty trust and its units are listed on the The Toronto Stock Exchange under the symbol "SHN.UN".

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