

March 17, 1999

SYMBOL: "SHN.UN" - TSE

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

**SHININGBANK ENERGY ANNOUNCES
QUARTERLY DISTRIBUTION AND CONVERSION OF SPECIAL WARRANTS**

Shiningbank Energy Management Inc., manager of the Shiningbank Energy Income Fund (the "Fund"), today announced the quarterly distribution to unitholders for the first quarter 1999. The record date for the distribution is March 31, 1999 and the distribution will be made on April 15, 1999. **THE AMOUNT OF THE DISTRIBUTION WILL BE \$3,426,267, OR \$0.35 PER UNIT.** At record date, the Fund will have a total of 9,789,333 units outstanding.

This distribution for first quarter 1999 brings total distributions for the last twelve months to \$1.41 per unit, resulting in a cash-on-cash yield of 14.4% based on recent unit prices. Shiningbank's continued leverage to natural gas (60% of production) has the Fund well positioned to take advantage of strong natural gas markets.

The Fund also announced that it has received receipts from the securities commissions of British Columbia, Alberta, Ontario and Quebec for its final prospectus by which it has qualified the issue of 1,100,000 Trust Units upon exercise of the Special Warrants issued on February 1, 1999. The Special Warrants will be automatically exercised at the close of business on March 17, 1999. A total of 9,789,333 Trust Units will be outstanding after completion of the issue. Net proceeds from the Special Warrant offering of \$9,762,500 were received by the Fund on February 1, 1999. CIBC Wood Gundy Securities Inc. acted as underwriter for the financing.

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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