

May 11, 1999

**SYMBOL: "SHN.UN" - TSE**

**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

**SHININGBANK ENERGY ANNOUNCES  
CHANGES TO MANAGEMENT AGREEMENT**

Shiningbank Energy Management Inc., manager of Shiningbank Energy Income Fund (the "Fund"), today announced that proposed changes to the agreement which governs the management of the Fund have been approved by the Fund's unitholders.

At the Special and Annual General Meeting of Unitholders of the Fund held on May 10, 1999, a special resolution was approved authorizing the Manager of the Fund to make certain changes to the management agreement that governs the Fund and its operating entities. These changes will reduce the management fee to 3.25% of net operating income from 3.5%; lower the acquisition fee to 1.5% from 1.75% of the cost of new assets; and eliminate the commodity marketing fee paid to the Manager, all effective July 1, 1999. In addition, the contract term was extended from its original expiry date of July 1, 2001 to July 1, 2004 and the severance provisions for the Manager in the event of a change in control, were amended to allow for a payment of a minimum of three times (up from one times), and a maximum of five times (unchanged) the most recent year's management fees. These changes provide unitholders with an immediate increase in distributions while providing the Manager with severance provisions which, while enhanced, are more comparable to other conventional oil and gas royalty trusts.

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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