

December 14, 1999

SYMBOL: "SHN.UN" - TSE

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

**SHININGBANK ENERGY ANNOUNCES RECORD DISTRIBUTION, INFORMS
UNITHOLDERS RE OUTSTANDING UNIT EXCHANGE OFFER**

Shiningbank Energy Management Inc., manager of the Shiningbank Energy Income Fund (the "Fund"), today announced the quarterly distribution to unitholders for the fourth quarter 1999. The ex-distribution date for this distribution is December 29, 1999 and the record date for the distribution is December 31, 1999. The distribution will be made on January 15, 2000. **THE AMOUNT OF THE DISTRIBUTION WILL BE \$5,306,324.85, OR \$0.45 PER UNIT.** This distribution exceeds the Fund's previous record distribution in the third quarter 1999 by \$0.03 per unit. At record date, the Fund will have a total of 11,791,833 units outstanding.

This distribution brings total payments for 1999 to \$1.60 per unit, resulting in a trailing cash-on-cash yield of 14.7% based on recent unit prices. Shiningbank has progressively raised its quarterly distribution to \$0.45 per unit from \$0.35 per unit in the first quarter 1999 - a 29% increase during the year.

NCE DIVERSIFIED INCOME TRUST EXCHANGE OFFER

On November 25, 1999, NCE Diversified Income Trust ("NCE") announced its proposal to exchange its units for the units of 31 diverse royalty and income trusts, including Shiningbank Energy Income Fund. **Shiningbank confirms that it has not participated in, nor has it recommended, the offering made by NCE.** On November 25, 1999, Shiningbank issued a news release informing its unitholders of the consequences of tendering their units to the then outstanding exchange offer from Envest Diversified Income Trust. The information in that release applies equally to the NCE offer and should be considered by unitholders when making their decision on the exchange offer. Copies of the November 25, 1999 release are available from the Fund. **Units held by management and directors of Shiningbank will not be tendered to the NCE offer.**

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

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