

August 16, 2000

SYMBOL: "SHN.UN"-TSE

**NEWS RELEASE  
FOR IMMEDIATE RELEASE**

**SHININGBANK ENERGY ANNOUNCES  
SECOND QUARTER 2000 FINANCIAL RESULTS**

Shiningbank Energy Income Fund today announced its financial results for the second quarter and six months ended June 30, 2000. The information presented in this news release is expressed on a barrel of oil equivalent basis using a conversion ratio from natural gas to oil equivalent of six thousand cubic feet (mcf) per barrel of oil equivalent (boe). Previously, in Canada, it was common to convert gas to oil at 10 mcf per boe, which approximated historical relative sales values. The use of the 6 mcf/boe ratio has been accepted practice in the United States for many years and more accurately reflects the relative heating and economic values of the fuels. With improved access to U.S. gas markets, and continued improvements in natural gas prices, Canadian oil and gas companies and the investment community are adopting the 6 mcf/boe equivalent ratio. To facilitate the transition in 2000, Shiningbank will also include the 10 mcf/boe conversion in our reports.

Revenues for the second quarter totalled \$19.0 million on average production of 7,507 boe per day (boe/d) (5,411 at 10 mcf/boe), up 106% from \$9.2 million on average production of 6,265 boe/d (4,431 at 10 mcf/boe) for second quarter 1999. Approximately 70% of production in the current quarter came from natural gas (58% at 10 mcf/boe). For the first six months of 2000 revenues were \$33.7 million, up 91% from \$17.6 million in 1999. The Fund distributed \$0.58 per Trust Unit for the quarter, up from \$0.38 per Trust Unit in 1999 bringing total distributions for 2000 to \$1.08 per Trust Unit compared to \$0.73 per Trust Unit in 1999. Twelve-month trailing distributions aggregate \$1.95 per Trust Unit.

In addition to completing the acquisition of Raider Resources Ltd., the Fund acquired five relatively small natural gas producing properties aggregating \$3.3 million in the second quarter. These purchases, together with the Raider acquisition, helped to improve the gas weighting of the Fund. Because the acquisitions, including Raider, were included for only a portion of the quarter, the second half of 2000 should see a higher natural gas weighting than the first half. The properties acquired outside of the Raider acquisition added 6,500 mmcf of natural gas and 85,000 bbls of NGL to the Fund's established reserves at a total cost of \$4.48/boe (\$6.94 at 10 mcf/boe). The Raider acquisition added 23.2 bcf of natural gas and 747,000 bbls of oil and NGL to established reserves (based on January 1, 2000

reserve assessments by independent engineers). The aggregate cost, including assumed bank debt and a working capital deficiency, was \$41.6 million.

Subsequent to the end of the second quarter, Shiningbank announced the issue of 2,415,000 Trust Units at \$12.20 each for gross proceeds of \$29,463,000. The issue closed on August 15, 2000. Net proceeds from the financing will be used to continue with Shiningbank's business strategy of acquiring long life natural gas reserves and exploiting development opportunities.

Shiningbank provides its unitholders with a high-quality asset base, a strong financial position and experienced management. Its oil production is high quality, light gravity crude providing optimum netbacks. Approximately 70% of Shiningbank's production volume is from liquids-rich natural gas.

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".

For further information please contact:

David M. Fitzpatrick, President and C.O.O. or  
Bruce K. Gibson, Vice President, Finance  
Shiningbank Energy Management Inc.  
Telephone: (403) 268-7477  
Facsimile: (403) 268-7499  
E-Mail: [shiningbank@shiningbank.com](mailto:shiningbank@shiningbank.com)

**Shiningbank Energy Income Fund  
Second Quarter 2000 Highlights**

Financial (\$ thousands except per Trust Unit amounts)	Three months ended June 30,		Six months ended June 30,	
	2000	1999	2000	1999
Oil and natural gas sales	18,962	9,199	33,698	17,619
Net earnings (loss)	5,215	842	8,724	706
Cash flow	10,197	4,280	17,581	7,463
Distributable income	8,274	3,720	14,172	7,146
Per Trust Unit	0.58	0.38	1.08	0.73
Acquisition and development costs	46,112	5,593	49,010	6,957
Long term debt	48,356	38,609	48,356	38,609
Unitholders' equity	88,475	56,478	88,475	56,478

Operations

Daily production volumes				
Oil (bbl/d)	1,413	1,106	1,452	1,145
Natural gas (mcf/d)	31,434	27,507	29,343	26,343
Natural gas liquids (bbl/d)	855	574	811	623
Oil equivalent 6 mcf/boe (boe/d)	7,507	6,265	7,154	6,159
Oil equivalent 10 mcf/boe (boe/d)	5,411	4,431	5,197	4,402
Average prices				
Oil (C\$/bbl)	\$ 38.13	\$ 22.89	\$ 37.63	\$ 20.36
Natural gas (C\$/mcf)	\$ 4.10	\$ 2.44	\$ 3.60	\$ 2.48
Natural gas liquids (C\$/bbl)	\$ 30.06	\$ 15.34	\$ 30.68	\$ 13.91
Oil equivalent 6 mcf/boe (C\$/boe)	\$ 27.76	\$ 16.14	\$ 25.88	\$ 15.81
Oil equivalent 10 mcf/boe (C\$/boe)	\$ 38.51	\$ 22.82	\$ 35.63	\$ 22.12