

October 31, 2000

SYMBOL: "SHN.UN" - TSE

**NEWS RELEASE
FOR IMMEDIATE RELEASE**

**SHININGBANK ENERGY ANNOUNCES CLOSING OF PURCHASE OF
LONG-LIFE NATURAL GAS ASSETS**

Shiningbank Energy Income Fund ("Shiningbank") today announced the closing of the previously disclosed acquisition of long-life natural gas assets in west-central Alberta for a total of \$47.7 million. Approximately \$10.7 million of the acquired assets remain the subject of a right of first refusal held by a third party.

The acquisition will add approximately 1,750 barrels of oil equivalent per day (boe/d) calculated using six thousand cubic feet (mcf) of natural gas per boe (1,150 boe/d at 10 mcf/boe) to Shiningbank's production. The cost of the established reserves (proven plus risked probable), amounted to \$5.88 per boe (\$8.90 at 10 mcf/boe).

These properties will enhance Shiningbank's position as the most heavily gas weighted of the Canadian conventional oil and gas royalty trusts, bringing total gas production to over 40,000 mcf/d and 73% of total production (62% using 10 mcf/boe). All of the acquired production will be sold in spot markets. The long reserve life index of the acquired properties will also enhance Shiningbank's reserve base. The acquisition has been funded entirely through Shiningbank's existing lines of credit.

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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