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

**NEWS RELEASE  
FOR IMMEDIATE RELEASE**

**SHININGBANK ENERGY ANNOUNCES STRATEGIC GAS PROPERTY ACQUISITION**

Shiningbank Energy Management Inc., manager of Shiningbank Energy Income Fund (the "Fund"), today announced that it has closed the acquisition of a significant package of high-quality natural gas producing properties and undeveloped land in west-central Alberta for approximately \$28.6 million. The effective date of the acquisition is April 1, 2001.

The properties include a mix of operated and non-operated interests in the Greencourt, Paddle River, Windfall, Glenevis and Bigoray areas of west-central Alberta, adjacent to Shiningbank's existing operations in the Whitecourt and Anselmo areas. Current production from the package is approximately 250 barrels per day of oil and NGL and 5.4 million cubic feet (mmcf) per day of natural gas. The natural gas production, which constitutes 77% of total production, is uncontracted and will be sold in the spot market. Annual cash flow from the acquired properties is estimated at \$7.1 million using a gas price of C\$4.50/mcf and an oil price of US\$25.00/bbl. The acquisition also includes 23,000 net acres of highly prospective undeveloped land valued at \$2.1 million.

The acquired properties have been independently evaluated by Gilbert Laustsen Jung Associates Ltd. who have assigned established reserves of 14.2 billion cubic feet of natural gas, 148,000 barrels of oil and 510,000 barrels of NGL. Proven reserves represent approximately 88% of the total. Funding for the acquisition will come from the Fund's credit facility. Subsequent to the transaction, the Fund's debt to cash flow ratio is estimated to be 1.7 to 1 based on current commodity prices.

This acquisition continues Shiningbank's strategy of acquiring high-quality gas producing properties within its major producing areas. The acquisition is expected to be accretive to distributions and will further enhance Shiningbank's natural gas concentration, already the highest in the royalty trust sector.

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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