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SYMBOL: "SHN.UN" - TSE

**NEWS RELEASE
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SHININGBANK ENERGY ANNOUNCES YEAR-END RESERVES

Shiningbank Energy Income Fund today announced the results of its 2001 year-end reserve evaluation prepared by Paddock Lindstrom & Associates Ltd. ("PLA").

Highlights of the report are as follows:

1. Established reserves (proven plus 50% probable) increased 36% from year-end 2000 to 47.2 million barrels of oil equivalent ("mmboe").
2. The present value of the Fund's established reserves, discounted at 12%, increased 15% from year-end 2000 despite the significantly lower commodity price forecasts.
3. Natural gas represents 74% of Shiningbank's established reserves and 75% of corporate production.
4. Reserve additions through acquisition, development and revisions replaced 355% of 2001 production.

The following tables summarize Shiningbank's reserve estimates and value at December 31, 2001.

<u>Reserves</u>	<u>Oil & NGL's (mmbbl)</u>	<u>Gas (bcf)</u>	<u>Oil Equivalent (mmboe)</u>
Proved	10.1	181.7	40.4
Total Proved Plus Probable	14.0	239.8	54.0
Established	12.0	210.8	47.2

<u>Present Worth of Established Reserves (pre-tax)</u>	<u>December 31, 2001 (\$millions)</u>	<u>December 31, 2000 (\$millions)</u>
Undiscounted	795.0	656.3
Discounted @ 10%	430.9	371.3
Discounted @ 12%	396.6	345.4
Discounted @ 15%	355.1	314.0

Notes to tables:

1. Barrels of oil equivalent assume that 6 mcf of natural gas = 1 barrel of oil equivalent (boe).
2. Established reserves are 100% of proved reserves plus 50% of probable reserves.
3. The present worth of established reserves is after deduction of estimated future capital expenditures, royalty burdens and operating costs and prior to any provision for abandonment costs, income taxes, debt service charges, management fees or general and administrative expenses. It should not be assumed that present worth is representative of the fair market value of the assets. Present worth values are based on PLA's escalated price forecast as of January 1, 2002, which assumes a base 2002 oil price of US\$21.00/bbl and an average Alberta natural gas price of C\$3.61/mcf.

The following table outlines the changes in Shiningbank's reserves during 2001:

	<u>Oil Equivalent Reserves MMBOE</u>		
	<u>Total</u> <u>Proved</u>	<u>Risked</u> <u>Probable</u>	<u>Established</u>
December 31, 2000	29.8	4.8	34.6
Acquisitions	15.4	2.6	18.0
Dispositions	(0.8)	(0.2)	(1.0)
Development	0.6	0.1	0.7
Revisions	0.3	(0.5)	(0.2)
Production	<u>(4.9)</u>	<u>-</u>	<u>(4.9)</u>
December 31, 2001	40.4	6.8	47.2

2002 Projected Cash Flow

The Proved Producing cash flow forecast prepared by PLA uses prices of US\$21.00/bbl for oil and C\$3.61 for natural gas for 2002. Production for the year is estimated at 3,400 bbl/d of oil and NGL and 63.0 mmcf/d of natural gas production. PLA projects operating cash flow of \$77 million, or \$2.64 per Trust Unit, before administrative costs, management fees, debt service charges, taxes or capital costs. This is consistent with Shiningbank's 2002 internal cash flow projections of \$2.00 per Trust Unit, net of all costs. Shiningbank estimates that each C\$0.25/mcf change in gas prices will alter 2002 distributions by \$0.15/Trust Unit and each US\$1.00/bbl change in oil prices will move 2002 distributions by \$0.05/Trust Unit.

Despite the dramatic erosion of gas prices in 2001, Shiningbank paid a record \$3.40/unit for the year. Based on our 2002 cash distribution forecast and current unit price, Shiningbank provides a pre-tax, cash-on-cash yield to unitholders of approximately 15%.

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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