



January 20, 2003

SYMBOL: "SHN.UN"-TSE

**NEWS RELEASE
FOR IMMEDIATE RELEASE**

SHININGBANK ANNOUNCES EQUITY FINANCING

Shiningbank Energy Income Fund ("Shiningbank") announced today that it has entered into an agreement to sell 3.34 million Trust Units at \$15.00 each to raise gross proceeds of \$50,100,000 on a bought deal basis. The underwriting syndicate, led by CIBC World Markets Inc., includes BMO Nesbitt Burns Inc., Scotia Capital Inc., TD Securities Inc., National Bank Financial Inc. and FirstEnergy Capital Corp. Shiningbank has granted the underwriters an option, exercisable in whole or in part prior to closing, to purchase up to an additional 501,000 trust units at the same offering price. Should this option be fully exercised, the total gross proceeds of the issue would be \$57,615,000. The issue will be offered in all provinces of Canada. Closing of the offering is expected to occur on February 11, 2003, and is subject to regulatory approvals.

Net proceeds from the financing will be used in part to repay indebtedness incurred in respect of the recent acquisition of oil and gas reserves in Alberta at Whitecourt, Modeste Creek and Long Coulee in the aggregate amount of \$16.7 million and to continue with Shiningbank's business strategy of acquiring long-life natural gas reserves and exploiting development opportunities.

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".

The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.

For further information please contact:

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