



April 1, 2004

SYMBOL: "SHN.UN" - TSX

NEWS RELEASE – FOR IMMEDIATE RELEASE

SHININGBANK ENERGY ANNOUNCES UPDATED RESERVES ON BIRCHILL ACQUISITION

Shiningbank Energy Income Fund (the "Fund" or "Shiningbank"), today announced the results of an independent evaluation of the reserves purchased in the previously announced Birchill Resources Limited ("Birchill") corporate acquisition which closed on March 8, 2004. The evaluation was conducted by Sproule Associates Limited ("Sproule") effective January 1, 2004 and prepared in accordance with National Instrument 51-101 ("NI 51-101").

RESERVES

The following tables summarize the Birchill reserve volumes and the net present value of future net revenues as at December 31, 2003:

Reserves (Gross)				
	Oil (mdbl)	Natural Gas (mmcf)	NGL (mdbl)	Oil Equivalent (mboe)
Proved				
Developed Producing	1,372.5	23,349	1,072.6	6,336.6
Developed Non-Producing	-	5,696	309.8	1,259.1
Undeveloped	176.1	17,899	915.7	4,075.0
Total Proved	1,548.6	46,944	2,298.1	11,670.7
Probable	1,327.9	29,421	1,781.6	8,013.0
Total Proved plus Probable	2,876.5	76,365	4,079.7	19,683.7

	Net Present Value (before income tax) discounted at		
	5%	10%	15%
Total Proved	\$176,447	\$145,856	\$125,379
Total Proved plus Probable	\$260,053	\$201,878	\$167,406

Notes to tables:

1. Barrels of oil equivalent assume that 6 mcf of natural gas = 1 barrel of oil equivalent (boe). The term boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf to one boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.
2. The net present value of future net revenues does not represent fair market value.

The following table outlines the difference between the new Sproule evaluation under NI 51-101 regulations and those reserves publicly disclosed in Shiningbank's February 27, 2004 prospectus which were prepared by Sproule under the old National Policy 2-B regulations:

	Updated evaluation (NI 51-101) mboe	Original evaluation (NP 2-B) mboe	Difference	
			mboe	%
Total Proved	11,670.7	13,595.8	(1,925.1)	(14%)
Total Proved plus Probable*	19,683.7	17,639.4	2,044.3	12%

*Probable reserves quoted in the original evaluation are risked at 50%.

At the time of the acquisition, Shiningbank prepared its own internal estimate of the Birchill reserves at January 1, 2004 and press released the transaction on February 19, 2004 quoting 13,997 mboe of proved plus probable reserves. Sproule's assignment is therefore 5.6 mmboe higher (+40%) than those internal estimates. The effect on the acquisition parameters, based on proved plus probable reserves is detailed below:

	<u>Feb 19/04 Press Release (Internal)</u>	<u>Updated Sproule Report (NI 51-101)</u>
Acquisition Cost (\$000s)	\$175,000	\$175,000
Cost per boe of reserves	\$11.52	\$8.19
Cost per boe including cost of land and seismic	\$12.50	\$8.89
Reserve Life Index (years)	8.3	11.7

BIRCHILL PROPERTY REVIEW

Ferrier

The Birchill Ferrier property is an excellent strategic fit with Shiningbank's existing Ferrier asset base and is characterized by long life, liquid-rich, sweet gas production from multiple horizons. Including the Birchill assets, the Greater Ferrier area currently produces 25.1 MMcf/d gas and 2,347 bbl/d liquids (6,530 BOE/d) net to the Fund.

The Ferrier area has seen a high level of activity on the Birchill lands which has resulted in two gross (0.8 net) wells tied-in in first quarter 2004 and another one gross (0.2 net)

wells awaiting tie-in. In addition Shiningbank is participating in the drilling of 2 gross (0.9 net) wells on Birchill lands in the Ferrier area scheduled for late Q1 or early Q2. An additional 14 gross (6.5 net) wells are tentatively scheduled to be drilled in 2004 and early 2005 on the Birchill Ferrier lands.

The above noted Ferrier activity is in addition to the activity on lands held by the Fund prior to the acquisition of Birchill. In first quarter 2004 the Fund has participated in the drilling of six gross (2.6 net) wells in the Greater Ferrier area resulting in six successful gas wells.

Other

In the Rainbow area six gross (3.0 net) wells drilled in first quarter were tied-in or awaiting tie-in prior to the end of March. A multi-well tie-in project in the Rycroft area will result in 3 gross (1.5 net) gas wells being brought on production in late first quarter 2004. In Newton/Cherhill Shiningbank participated in one gross (0.2 net) successful gas well which will be tied-in in second quarter. A further one gross (0.7 net) well was placed on stream late in the first quarter in the Cherhill area.

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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