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**NEWS RELEASE
FOR IMMEDIATE RELEASE**

Shiningbank Energy announces August 2006 monthly distribution

Shiningbank Energy Income Fund (the "Fund") today announced that its cash distribution for August 2006 will be **C\$0.23 per unit**. **The distribution is payable on August 15, 2006 to unitholders of record on July 31, 2006. The ex-distribution date is July 27, 2006.** This represents a 13% annualized pre-tax cash-on-cash yield based on the July 6, 2006 closing price of \$21.30 per unit.

This distribution level reflects a reduction of \$0.02 per unit or 8% from the recent distribution level of \$0.25 per unit, paid for the past four months, and results from the continued weakening in natural gas prices since fourth quarter 2005. Canadian spot market natural gas prices have declined from an average of over \$9.00 per mcf in first quarter 2006 to current levels of less than \$6 per mcf. Shiningbank's production volumes remain on target and results from its development program continue to be positive.

Shiningbank Energy Income Fund is a natural gas focused energy trust founded in 1996. The Fund purchases, develops and operates producing properties for the direct benefit of its unitholders. Shiningbank has one of the highest weightings of natural gas production in the energy trust sector at 76%.

Shiningbank is listed on the Toronto Stock Exchange under the symbol SHN.UN. For further information please visit our website, www.shiningbank.com or contact us at:

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