



March 1, 2007

TSX: SHN.UN

NEWS RELEASE FOR IMMEDIATE RELEASE

Shiningbank Energy Announces 2006 Reserve Information

Shiningbank Energy Income Fund (the “Fund” or “Shiningbank”), today announced the results of its December 31, 2006 independent reserves evaluation. The evaluation was conducted by Paddock Lindstrom & Associates Ltd. (“PLA”) effective December 31, 2006 and prepared in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities (“NI 51-101”).

2006 HIGHLIGHTS

- Increased proved plus probable reserves by 13% and proved reserves by 10% through acquisition and development in 2006;
- Proved producing reserves constitute 89% of total proved reserves and total proved reserves equate to 62% of total proved plus probable reserves;
- Shiningbank replaced 228% of 2006 production with new reserves acquired or developed in the year, bringing cumulative replacement to 265% of production over the life of the Fund; and
- On the basis of proved plus probable reserves:
 - Finding and development costs for the year aggregated \$22.87 per barrel of oil equivalent (“boe”) bringing the three year average finding and development costs to \$14.29 per boe;
 - The finding and development cost recycle ratio for 2006, based on an operating netback of \$29.53 per boe was 1.3 to 1; and
 - The Fund’s reserve life index (“RLI”) stands at 9.8 years based on estimated 2007 production. Shiningbank’s RLI has fluctuated between 9.7 and 10.1 years over the past five years.

Finding and Development Program

Shiningbank's 2006 development program, which totaled \$131.4 million, focused on two main areas:

Sousa

The Fund spent approximately \$43.7 million on the Sousa Bluesky gas property to drill 78 gross (74.3 net) wells (97% success rate) and successfully filled the gas plant. Approximately 4.5 mmcf/d of initial gas deliverability was added in April 2006 and existing proved non-producing and probable reserves were re-categorized as proved producing at year-end. Only minor incremental proved non-producing and probable reserves were booked as a result of the drilling program. Although the economics of this program remain very positive, because no material reserves were added, the finding and development costs per barrel of reserves distort the overall corporate results.

West-Central Alberta / Peace River Arch

The Fund spent approximately \$87.7 million, adding 5.7 million barrels of oil equivalent proved plus probable reserves and generating proved plus probable finding and development costs of \$15.27/boe, excluding future development costs, and \$19.16/boe including future development costs. Approximately 197 gross (32 net) wells were drilled with an 86% success ratio.

Corporate finding and development costs for 2006 therefore averaged \$22.87/boe excluding future development costs and \$21.19/boe including future development costs on a proved plus probable basis.

Shiningbank's 2007 capital program is estimated at \$110 to \$120 million and will be focused in the following areas:

- West-Central Alberta 60%
- Peace River Arch 25%
- Other 15%

Reserves Details

The following tables summarize the independent reserve estimates and values at December 31, 2006:

Summary of Oil and Gas Reserves - Forecast Prices and Costs

	Reserves (Company Interest)²				
	Oil (mdbl)	Natural Gas (bcf)	NGL (mdbl)	2006 Oil Equivalent (mboe) ¹	2005 Oil Equivalent (mboe) ¹
Proved					
Developed Producing	4,479	234.6	7,439	51,023	45,352
Developed Non-Producing	285	20.2	600	4,258	3,167
Undeveloped	130	9.9	418	2,202	3,971
Total Proved	4,893	264.8	8,457	57,483	52,490
Probable	2,977	160.6	5,087	34,828	29,068
Total Proved plus Probable	7,870	425.4	13,544	92,311	81,558

Value of Reserves using Forecast Prices and Costs³

(\$Millions)	Discount factor				
	0%	5%	10%	12%	15%
Present value of reserves					
Proved Developed Producing	\$ 1,736	\$ 1,326	\$ 1,090	\$ 1,021	\$ 935
Proved Developed Non-Producing	133	94	74	68	62
Proved Undeveloped	61	40	28	24	20
Total Proved	1,929	1,459	1,192	1,113	1,016
Probable	1,197	657	433	377	313
Total Proved plus Probable	\$ 3,126	\$ 2,117	\$ 1,625	\$ 1,491	\$ 1,329

The following table outlines the reconciliation of changes in company interest reserves estimates for the period December 31, 2005 to December 31, 2006.

Reserves Reconciliation

	Reserves (Company Interest) ²			
	Oil (mmbbl)	Natural Gas (bcf)	NGL (mmbbl)	Oil Equivalent (mboe) ¹
Total Proved				
December 31, 2005	4,864	240.7	7,512	52,490
Acquisitions	514	43.0	1,583	9,265
Dispositions	-	-	-	-
Extensions	-	2.8	79	538
Discoveries	554	9.9	275	2,485
Technical revisions and economic factors	(186)	7.4	124	1,169
Production	(852)	(39.0)	(1,117)	(8,465)
December 31, 2006	4,893	264.8	8,457	57,483
Total Proved plus Probable				
December 31, 2005	7,451	373.5	11,857	81,558
Acquisitions	743	62.8	2,368	13,571
Dispositions	-	-	-	-
Extensions	165	14.6	402	3,004
Discoveries	805	10.4	200	2,741
Technical revisions and economic factors	(441)	3.1	(166)	(97)
Production	(852)	(39.0)	(1,117)	(8,465)
December 31, 2006	7,870	425.4	13,544	92,311

Notes to tables:

1. Barrel of oil equivalent (boe) volumes are reported at 6:1 with 6 mcf = 1 bbl. The 6:1 conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. While it is useful for comparative measures, it may not accurately reflect individual product values and may be misleading if used in isolation.
2. Company interest includes working interest plus royalty interests attributable to the Fund.
3. The present value of reserves is net of estimated future capital expenditures, royalty burdens, operating costs and abandonment costs, but prior to any provision for general and administrative expenses. It should not be assumed that present value is representative of the fair market value of the assets. Present value is based on PLA's escalated price forecast as of December 31, 2006, which assumes a base 2007 oil price of US\$61.00/bbl and an Alberta natural gas reference price of C\$7.12/mmbtu.

Finding, Development and Acquisition (“FD&A”) Costs

Under NI 51-101, the methodology to be used to calculate FD&A costs includes changes in future development costs. For completeness, Shiningbank has presented FD&A costs both including and excluding such costs. The following table sets out the finding and development costs, acquisition costs and aggregate FD&A costs for the year for both proved and proved plus probable reserves together with comparative figures for prior years and the three year average costs.

Proved plus probable	2006	2005	2004	Three year costs
Finding and development costs				
Development expenditures (000s)	\$ 131,373	\$ 81,772	\$ 56,339	\$ 269,484
Change in future development costs (000s)	\$ (9,654)	\$ 67,332	\$ (13,230)	\$ 101,598
Reserve additions from development (mboe)	5,745	7,369	5,746	18,860
Finding and development costs per boe				
Excluding future development costs	\$ 22.87	\$ 11.10	\$ 9.80	\$ 14.29
Including future development costs	\$ 21.19	\$ 20.23	\$ 7.50	\$ 19.68
Acquisition costs				
Acquisition costs (000s)	\$ 447,972	\$ 329,996	\$ 184,828	\$ 962,796
Future development costs from acquisitions (000s)	\$ 11,530	\$ 45,620	\$ 28,877	\$ 86,027
Reserves added by acquisition (mboe)	13,571	13,900	16,564	44,035
Acquisition costs per boe				
Excluding future development costs	\$ 33.01	\$ 23.74	\$ 11.16	\$ 21.86
Including future development costs	\$ 33.86	\$ 27.02	\$ 12.90	\$ 23.82
FD&A costs				
Acquisition and development costs (000s)	\$ 579,345	\$ 411,768	\$ 241,167	\$1,232,280
Change in total future development costs (000s)	\$ 1,876	\$ 112,952	\$ 15,647	\$ 187,625
Total reserves added (mboe)	19,316	21,269	22,310	62,895
FD&A costs per boe				
Excluding future development costs	\$ 29.99	\$ 19.36	\$ 10.81	\$ 19.59
Including future development costs	\$ 30.09	\$ 24.67	\$ 11.51	\$ 22.58

Total Proved	2006	2005	2004	Three year costs
Finding and development costs				
Development expenditures (000s)	\$ 131,373	\$ 81,772	\$ 56,339	\$ 269,484
Change in future development costs (000s)	\$(19,451)	\$ (2,568)	\$ (569)	\$ 14,184
Reserve additions from development (mboe)	3,023	3,022	3,876	9,921
Finding and development costs per boe				
Excluding future development costs	\$ 43.46	\$ 27.06	\$ 14.54	\$ 27.16
Including future development costs	\$ 37.02	\$ 26.21	\$ 14.39	\$ 28.59
Acquisition costs				
Acquisition costs (000s)	\$ 447,972	\$ 329,996	\$ 184,828	\$ 962,796
Future development costs from acquisitions (000s)	\$ 9,424	\$ 27,348	\$ 13,488	\$ 50,260
Reserves added by acquisition (mboe)	9,265	8,827	10,162	28,254
Acquisition costs per boe				
Excluding future development costs	\$ 48.35	\$ 37.38	\$ 18.19	\$ 34.08
Including future development costs	\$ 49.37	\$ 40.48	\$ 19.52	\$ 35.86
FD&A costs				
Acquisition and development costs (000s)	\$ 579,345	\$ 411,768	\$ 241,167	\$1,232,280
Change in total future development costs (000s)	\$(10,027)	\$ 24,780	\$ 12,919	\$ 64,444
Total reserves added (mboe)	12,288	11,849	14,038	38,175
FD&A costs per boe				
Excluding future development costs	\$ 47.15	\$ 34.75	\$ 17.18	\$ 32.28
Including future development costs	\$ 46.33	\$ 36.84	\$ 18.10	\$ 33.97

Note:

The aggregate of the finding and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year.

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:

Email: irinfo@shiningbank.com
Telephone: (403) 268-7477
Facsimile: (403) 268-7499
Toll Free: (866) 268-7477

Shiningbank Energy Ltd.

David M. Fitzpatrick, President and C.E.O.
Bruce K. Gibson, C.F.O.
Debbie Carver, Investor Relations Coordinator