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NEWS RELEASE FOR IMMEDIATE RELEASE

Shiningbank Energy Announces First Quarter 2007 Financial Results

Shiningbank Energy Income Fund (“Shiningbank” or the “Fund”), today announced its financial results for the three months ended March 31, 2007. Shiningbank’s Management’s Discussion and Analysis and Unaudited Consolidated Financial Statements for the three months ended March 31, 2007 can be accessed at www.shiningbank.com and will be available through SEDAR at www.sedar.com.

HIGHLIGHTS

Distributions

- Distributions for the quarter totaled \$0.45 per unit, representing a 15% cash-on-cash yield based on the March 30, 2007 closing price of \$12.35 per unit.

Production

- Production was 24,788 boe/d, up 14% from last year’s first quarter.
- Current production is over 26,000 boe/d with wells brought on-stream following excellent Q1 drilling results. A further 1,300 boe/d is scheduled for tie-in in Q2 and Q3.
- First quarter drilling is expected to replace over half of our estimated naturally-occurring production decline for 2007.
- Quarterly capital spending was \$37 million, approximately one-third of our 2007 budget.
- Production guidance for 2007 remains on track for an average 25,500 to 26,000 boe/d.

Drilling

- 100% drilling success on 36 wells (11.2 net) resulted in 33 gas wells (9.8 net) and three oil wells (1.4 net).
- Drilling included a new oil pool discovery at Grande Prairie and expansion into a new gas play at Whitecourt.

Financial

- Funds flow from operations totaled \$60.0 million, down 4% from Q1 2006 and 13% higher than in Q4 2006.
- Payout ratio for the quarter was 61% of funds flow, within our target range of 60 – 65%.
- Operating costs of \$8.26/boe were 1% higher than Q1 2006 due to tie-in delays and general industry cost pressures.
- Debt capacity was increased by \$20 million to \$500 million from \$480 million with our revolving credit line renewed for another year.

Shiningbank Energy Income Fund

First Quarter 2007 Financial and Operating Highlights

	Three months ended March 31,		
	2007	2006	%
Financial			
(\$ thousands except per Trust Unit amounts)			
Oil and natural gas sales including realized hedging	\$ 109,949	\$ 106,043	4
Net earnings	3,156	24,202	(87)
Funds flow from operations	59,970	62,175	(4)
Funds flow from operations per weighted average Trust Unit	0.70	0.91	(23)
Distributions to unitholders	36,795	54,695	(33)
Distributions per Trust Unit	0.45	0.80	(44)
Long term debt	457,552	232,359	97
Unitholders' equity	920,004	711,615	29
Operations			
Daily production			
Oil (bbl/d)	2,707	2,165	25
Natural gas (mmcf/d)	111.8	101.3	10
Natural gas liquids (bbl/d)	3,450	2,773	24
Oil equivalent (boe/d)	24,788	21,828	14
Average prices (including realized hedging)			
Oil (\$/bbl)	\$ 59.98	\$ 59.43	1
Natural gas (\$/mcf)	\$ 7.78	\$ 8.83	(12)
Natural gas liquids (\$/bbl)	\$ 53.04	\$ 54.03	(2)
Oil equivalent (\$/boe)	\$ 49.04	\$ 53.77	(9)
Unit Trading			
Units traded (thousands)	28,053	27,497	2
Value traded (\$ thousands)	\$ 372,068	\$ 684,737	(46)
Unit price			
High	\$ 14.67	\$ 29.52	
Low	\$ 11.90	\$ 21.26	
Close	\$ 12.35	\$ 24.50	
Units outstanding, end of period (thousands)	85,845	68,378	

Shiningbank's main focus for the first quarter was to continue to actively drill low-risk development wells. We are pleased to report 100% drilling success and production additions which, although not seen in the first quarter, will boost our volumes in the second and third quarters as we continue to tie in wells. With those wells on-stream, we will replace over half of our natural production decline for the year. With continued drilling this year, we should completely replace our annual decline.

Production

Production was 24,788 boe/d, up 14% from Q1 2006, but down from 25,710 boe/d in Q4 2006 as a result of natural declines, delays in the tie-in of new production and negative adjustments of 300 boe/d resulting from amendments of field volume allocations for prior years.

Production growth is underway with approximately 1,400 boe/d added in late Q1 and, early in Q2, we are producing over 26,000 boe/d. A further 1,300 boe/d is awaiting tie in after spring breakup, or pending access to gas plants in the second and third quarters. We remain on target to replace our production declines and average 25,500 to 26,000 boe/d for 2007.

Drilling

We recorded 100% drilling success in the first quarter resulting in 33 gas wells (9.8 net) and three oil wells (1.4 net). At Whitecourt, we have extended our new mid-Mannville play which we believe will have a significant amount of gas-in-place. This is an up-hole bypassed pay zone overlying our main Whitecourt producing zones, so there is ready access to facilities and infrastructure, including our

operated gas plant which has sufficient capacity to process these incremental volumes. This is a new play and was not recognized in a material way in our year-end reserves report.

At Grande Prairie we drilled a new oil pool discovery which we will exploit further as the year progresses, and we recorded continued success in our multi-zone gas drilling program which will see further exploitation this year.

At our main producing property, Ferrier/O'Chiese, and on the newly-acquired adjacent Pembina lands, we drilled five successful gas wells (2.4 net) in a continuation of our down-spacing programs.

Operating costs

Operating costs remain a challenge with our quarterly average at \$8.26/boe compared with our guidance of \$7.50 to \$7.75/boe. This was partly due to lower production volumes in the first quarter, combined with continued high costs for field equipment, crews and services. At this time, we believe we will meet our target of \$7.50 to \$7.75/boe based on planned volume additions in our lowest operating cost areas.

Gas prices

The first quarter brought a reprieve from the low gas prices which had lingered through the second half of 2006. After a warm December and January across much of North America, a blast of cold weather in February led to a major drawdown on North American storage and prices recovered somewhat. Our average price of \$7.78/mcf, including a \$0.07/mcf hedging gain, was down 12% from Q1 2006, but up 8% from our average \$7.19/mcf in Q4 2006.

As we move into the spring shoulder season, we expect gas prices to soften, which we are seeing now with prices in the \$7.50/mcf range. Looking further out this year, we anticipate that prices will resist major drops in the traditionally weaker spring months, and will begin to strengthen in the summer and build through the fall and winter. The market could be more prone to upward spikes in the summer months in the event of warm weather or hurricanes. This upside potential is likely due to the steadily weakening supply picture that has arisen from the extended period of low North American natural gas netbacks.

Payout ratio

The past quarter was the first under our new payout policy targeting 60 – 65% of funds flow to be distributed to unitholders, with the remainder withheld to fund capital expenditures. We distributed 61% of funds flow for the quarter.

Balance sheet

Late in the quarter our line of credit was renewed for another year and increased by \$20 million to \$500 million. Current borrowings are \$458 million bringing our debt to funds flow ratio to 1.9 based on annualized first quarter funds flow. With strengthening commodity prices, this ratio is expected to drop through the year. We are also in the process of marketing non-core properties with production totaling 1,300 boe/d. If we receive acceptable bids on these properties, the proceeds will be used to reduce our debt, and our production guidance will be lowered to reflect the sale of any non-core volumes.

Continuing our focus

Our main goal is distribution stability, and that will entail our focus on low-risk development drilling. In the second quarter, road bans due to spring break-up will mean our drilling will be lighter but we will continue with our active drilling programs as soon as weather permits.

We are now seeing the benefits of our new payout policy that was implemented in January 2007. A greater portion of our capital expenditures are being funded with cash flow. Incremental production from our development drilling program in Q1 2007 should replace over half of our annual production decline for 2007 and, with continued drilling success for the remainder of 2007, we should completely replace our annual production decline.

Although future distributions are dependent on the funds flow generated from operations, with the current outlook for natural gas prices, we expect that our distributions will remain consistent for the remainder of the 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 75%.

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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Shiningbank's Management's Discussion and Analysis and Unaudited Consolidated Financial Statements for the three months ended March 31, 2007 can be accessed at www.shiningbank.com and will be available through SEDAR at www.sedar.com.

This news release contains forward-looking statements relating to future events. In some cases, forward-looking statements can be identified by such words as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" or similar expressions. These statements represent management's best projections, but undue reliance should not be placed upon them as they are derived from numerous assumptions. These assumptions are subject to known and unknown risks and uncertainties, including the business risks discussed in both the Fund's Management's Discussion and Analysis and Annual Information Form for the year ended December 31, 2006, which may cause actual performance and financial results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted. The Fund does not undertake to update any forward looking information in this document whether as to new information, future events or otherwise except as required by securities rules and regulations.

Barrel of oil equivalent (boe) volumes are reported at 6:1 with 6 mcf = 1 bbl. The 6:1 boe 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.