



A D V A N T A G E

ENERGY INCOME FUND

Advantage Energy Income Fund Press Release

ADVANTAGE ENERGY INCOME FUND ANNOUNCES CLOSING OF \$140 MILLION FINANCING

DECEMBER 2, 2003

Calgary, December 2, 2003 - Advantage Energy Income Fund (TSX: AVN.UN) ("Advantage" or the "Fund") has closed its previously announced issue of 5,100,000 trust units issued at a price of \$15.75 per unit for gross proceeds of \$80,325,000 and \$60 million aggregate principal amount of 8.25% Convertible Unsecured Subordinated Debentures (the "Convertible Debentures"). The offering was made on a bought deal basis through a syndicate of underwriters led by Scotia Capital and including BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., FirstEnergy Capital Corp. and Raymond James Ltd. Purchasers of trust units who continue to hold such trust units on December 31, 2003 will be eligible to receive the distribution to be paid by Advantage on January 15, 2004. The Convertible Debentures, with a face value of \$1,000 per debenture, have a coupon of 8.25%, mature on February 1, 2009 and are convertible into trust units of Advantage at a price of \$16.50 per trust unit. Purchasers converting their Convertible Debentures will receive accrued and unpaid interest thereon. Purchasers of the Convertible Debentures will receive interest semi-annually with the first interest payment on August 1, 2004. The Convertible Debentures are listed for trading on the TSX (AVN.DB.B).

A portion of the net proceeds of the offering will be used by Advantage to fund the proposed acquisition of MarkWest Resources Canada Corp. ("MarkWest") with the balance of such net proceeds to be used to reduce outstanding indebtedness under Advantage's credit facilities, to fund drilling and exploitation capital expenditures in Advantage's core areas and for general purposes. The acquisition of MarkWest is expected to close on or before December 5, 2003.

The offering of the trust units and Convertible Debentures was made in Canada pursuant to a short-form prospectus, to Qualified Institutional Buyers in the United States pursuant to the exemption from registration provided by Rule 144A under the Securities Act of 1933 and internationally as permitted.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction.

This press release is not for release or distribution in the United States.

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