



## Advantage Energy Income Fund – News Release

(TSX: AVN.UN, NYSE: AAV)

February 28, 2006

### Advantage Announces Year End 2005 Reserves

CALGARY, ALBERTA – Advantage Energy Income Fund ("Advantage" or the "Fund") is pleased to announce the results of its year end reserve evaluation which is based on an independent engineering study conducted by Sproule Associates Limited ("Sproule") effective December 31, 2005 and prepared in accordance with National Instrument 51-101 ("NI 51-101").

Reserves included herein are stated on a Company Interest basis (before royalty burdens and including royalty interests receivable) unless noted otherwise. This report contains several cautionary statements that are specifically required by NI 51-101. In addition to the detailed information disclosed in this press release more detailed information on a net interest basis (after royalty burdens and including royalty interests) and on a gross interest basis (before royalty burdens and excluding royalty interests) will be included in Advantage's Annual Information Form ("AIF").

#### Highlights - Company Interest Reserves (Working Interests plus Royalty Interests Receivable)

- ◆ Proved plus probable ("P+P") reserve life index increased by 21% to 12.0 years.
- ◆ Replaced 106% of annual production at an all-in Finding, Development & Acquisition ("FD&A") cost of \$12.92 per P+P boe before consideration of future development capital. Including future development capital, the FD&A cost was \$17.17 per P+P boe. Note that there were no acquisitions completed in 2005.
- ◆ Net asset value using a 5% discount factor increased by 61% to \$23.95 per Unit.

	December 31, 2005	December 31, 2004
Proved plus probable reserves (mboe)	84,082	83,799
Present Value discounted at 5%, proved plus probable (\$000)	\$1,814,159	\$1,135,209
Net Asset Value per Unit discounted at 5%	\$23.95	\$14.88
Reserve Life Index (proved plus probable - years)	12.0 <sup>(1)</sup>	9.9
Reserves per fully diluted Unit (proved plus probable) <sup>(2)</sup>	1.28	1.28
Net bank debt per boe of reserves <sup>(3)</sup>	\$3.21	\$2.25

<sup>(1)</sup> Based on year end exit rate production of 19,200 boe/d

<sup>(2)</sup> Based on 59.0 million fully diluted Units outstanding at December 31, 2004 plus 6.0 million Units issued subsequent to year end and 65.1 million fully diluted Units outstanding at December 31, 2005 plus 0.5 million Units issued subsequent to year end

<sup>(3)</sup> BOE's may be misleading, particularly if used in isolation. In accordance with NI 51-101, a BOE conversion ratio for natural gas of 6 Mcf: 1 bbl has been used which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

#### Company Interest Reserves - Summary as at December 31, 2005

	Light & Medium Oil (mbbl)	Heavy Oil (mbbl)	Natural Gas Liquids (mbbl)	Natural Gas (mmcf)	Oil Equivalent (mboe)
<b>Proved</b>					
Developed Producing	12,879	1,688	3,282	166,424	45,588
Developed Non-producing	355	2	190	13,845	2,854
Undeveloped	2,377	48	308	17,260	5,610
<b>Total Proved</b>	<b>15,611</b>	<b>1,738</b>	<b>3,780</b>	<b>197,529</b>	<b>54,052</b>
Probable	11,948	963	2,227	89,357	30,030
<b>Total Proved + Probable</b>	<b>27,559</b>	<b>2,701</b>	<b>6,007</b>	<b>286,886</b>	<b>84,082</b>

**Gross Working Interest Reserves - Summary as at December 31, 2005**

	Light & Medium Oil (mdbl)	Heavy Oil (mdbl)	Natural Gas Liquids (mdbl)	Natural Gas (mmcf)	Oil Equivalent (mboe)
<b>Proved</b>					
Developed Producing	12,827	1,670	3,251	164,551	45,172
Developed Non-producing	354	2	188	13,723	2,831
Undeveloped	2,377	48	308	17,260	5,610
<b>Total Proved</b>	<b>15,558</b>	<b>1,720</b>	<b>3,747</b>	<b>195,534</b>	<b>53,613</b>
Probable	11,912	957	2,206	88,013	29,745
<b>Total Proved + Probable</b>	<b>27,470</b>	<b>2,677</b>	<b>5,953</b>	<b>283,547</b>	<b>83,358</b>

**Present Value of Future Net Revenue using Sproule price and cost forecasts <sup>(1)</sup>**  
 (\$000)

	Before Income Taxes Discounted at		
	0%	5%	10%
<b>Proved</b>			
Developed Producing	\$1,470,813	\$1,127,704	\$941,411
Developed Non-producing	83,554	68,812	58,394
Undeveloped	126,922	99,007	78,696
<b>Total proved</b>	<b>1,681,289</b>	<b>1,295,523</b>	<b>1,078,501</b>
Probable	945,519	518,636	344,071
<b>Total Proved + Probable</b>	<b>\$2,626,808</b>	<b>\$1,814,159</b>	<b>\$1,422,572</b>

<sup>(1)</sup> Advantage's crude oil, natural gas and natural gas liquid reserves were valued using Sproule's product price forecast effective December 31, 2005 prior to the provision for income taxes, interests, debt services charges and general and administrative expenses. It should not be assumed that the discounted future revenue estimated by Sproule represents the fair market value of the reserves.

**Sproule Price Forecasts**

The present value of future net revenue at December 31, 2005 was based upon crude oil and natural gas pricing assumptions prepared by Sproule effective December 31, 2005. These forecasts are adjusted for reserve quality, transportation charges and the provision of any applicable sales contracts. The price assumptions used over the next seven years are summarized in the table below:

Year	WTI Crude Oil (\$US/bbl)	Edmonton Light Crude Oil (\$Cdn/bbl)	Alberta Plantgate Natural Gas (\$Cdn/mmbtu)	Henry Hub Natural Gas (\$US/mmbtu)	Exchange Rate (\$US/\$Cdn)
2006	60.81	70.07	11.37	11.59	0.85
2007	61.61	70.99	10.63	10.11	0.85
2008	54.60	62.73	8.76	8.50	0.85
2009	50.19	57.53	7.69	7.58	0.85
2010	47.76	54.65	7.39	7.32	0.85
2011	48.48	55.47	7.52	7.43	0.85
2012	49.20	56.31	7.63	7.54	0.85

**Net Asset Value using Sproule price and cost forecasts**

The following net asset value ("NAV") table shows what is normally referred to as a "produce-out" NAV calculation under which the current value of the Fund's reserves would be produced at forecast future prices and costs. The value is a snapshot in time and is based on various assumptions including commodity prices and foreign exchange rates that vary over time.

(\$000, except per Unit amounts)	0%	5%	10%
Net asset value per Unit <sup>(1)</sup> - December 31, 2004	\$ 23.10	\$ 14.88	\$ 11.04
Present value proved and probable reserves	\$ 2,626,808	\$ 1,814,159	\$ 1,422,572
Undeveloped acreage and seismic <sup>(2)</sup>	25,782	25,782	25,782
Working capital (deficit) excluding cash distributions payable to Unitholders	(17,150)	(17,150)	(17,150)
Bank debt	(252,476)	(252,476)	(252,476)
<b>Net asset value - December 31, 2005</b>	<b>\$ 2,382,964</b>	<b>\$ 1,570,315</b>	<b>\$ 1,178,728</b>
<b>Net asset value per Unit <sup>(1)</sup> - December 31, 2005</b>	<b>\$ 36.34</b>	<b>\$ 23.95</b>	<b>\$ 17.98</b>

<sup>(1)</sup> Based on 59.0 million fully diluted Units outstanding at December 31, 2004 plus 6.0 million Units issued subsequent to year end and 65.1 million fully diluted Units outstanding at December 31, 2005 plus 0.5 million Units issued subsequent to year end

<sup>(2)</sup> Land at \$100 per acre – internal estimate

**Gross Working Interest Reserves Reconciliation**

	Light & Medium Oil (mbbl)	Heavy Oil (mbbl)	Natural Gas Liquids (mbbl)	Natural Gas (mmcf)	Oil Equivalent (mboe)
<b>Proved</b>					
<b>Opening balance Dec. 31, 2004</b>	<b>15,468</b>	<b>1,562</b>	<b>3,113</b>	<b>211,395</b>	<b>55,375</b>
Extensions	445	15	268	13,469	2,973
Improved recovery	871	275	82	2,597	1,661
Discoveries	83	0	17	218	136
Economic factors	433	97	29	3,262	1,103
Technical revisions	126	42	671	(6,424)	(233)
Acquisitions	0	0	0	0	0
Dispositions	(3)	0	(4)	(308)	(58)
Production	(1,865)	(271)	(429)	(28,675)	(7,344)
<b>Closing balance at Dec. 31, 2005</b>	<b>15,558</b>	<b>1,720</b>	<b>3,747</b>	<b>195,534</b>	<b>53,613</b>

	Light & Medium Oil (mbbl)	Heavy Oil (mbbl)	Natural Gas Liquids (mbbl)	Natural Gas (mmcf)	Oil Equivalent (mboe)
<b>Proved + Probable</b>					
<b>Opening balance Dec. 31, 2004</b>	<b>26,786</b>	<b>2,187</b>	<b>4,987</b>	<b>293,947</b>	<b>82,951</b>
Extensions	710	26	687	25,507	5,674
Improved recovery	2,679	402	94	4,228	3,880
Discoveries	111	0	23	291	183
Economic factors	803	143	53	6,428	2,071
Technical revisions	(1,751)	190	544	(17,724)	(3,972)
Acquisitions	0	0	0	0	0
Dispositions	(3)	0	(6)	(455)	(85)
Production	(1,865)	(271)	(429)	(28,675)	(7,344)
<b>Closing balance at Dec. 31, 2005</b>	<b>27,470</b>	<b>2,677</b>	<b>5,953</b>	<b>283,547</b>	<b>83,358</b>

**Finding, Development & Acquisitions Costs ("FD&A") <sup>(1)</sup>**

**FD&A Costs – Gross Working Interest Reserves excluding Future Development Capital**

	Proved	Proved + Probable
Capital expenditures (\$000)	\$ 103,537	\$ 103,537
Acquisitions net of dispositions (\$000)	(3,379)	(3,379)
<b>Total capital (\$000)</b>	<b>\$ 100,158</b>	<b>\$ 100,158</b>
Total mboe, end of period	53,613	83,358
Total mboe, beginning of period	55,375	82,951
Production, mboe	7,344	7,344
Reserve additions, mboe	5,582	7,751
<b>FD&amp;A costs (\$/boe)</b>	<b>\$ 17.94</b>	<b>\$ 12.92</b>
<b>Three year average FD&amp;A Costs (\$/boe)</b>	<b>\$ 23.69</b>	<b>\$ 14.93</b>

**NI 51-101**

**FD&A Costs – Gross Working Interest Reserves including Future Development Capital**

	Proved	Proved + Probable
Capital expenditures (\$000)	\$ 103,537	\$ 103,537
Acquisitions net of dispositions (\$000)	(3,379)	(3,379)
Net change in Future Development Capital	21,659	32,933
<b>Total capital (\$000)</b>	<b>\$ 121,817</b>	<b>\$ 133,091</b>
Reserve additions, mboe	5,582	7,751
<b>FD&amp;A costs (\$/boe)</b>	<b>\$ 21.82</b>	<b>\$ 17.17</b>
<b>Three year average FD&amp;A Costs (\$/boe)</b>	<b>\$ 25.20</b>	<b>\$ 16.51</b>

<sup>(1)</sup> Under NI 51-101, the methodology to be used to calculate FD&A costs includes incorporating changes in future development capital ("FDC") required to bring the proved undeveloped and probable reserves to production. For continuity, Advantage has presented herein FD&A costs calculated both excluding and including FDC.

The aggregate of the exploration 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. Changes in forecast FDC occur annually as a result of development activities, acquisition and disposition activities and capital cost estimates that reflect Sproule's best estimate of what it will cost to bring the proved undeveloped and probable reserves on production.

In all cases, the FD&A number is calculated by dividing the identified capital expenditures by the applicable reserve additions. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 MCF:1 BBL is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

**Gross Working Interest Reserves - Summary as at December 31, 2005 using Sproule Constant price assumptions**

	Light & Medium Oil (mbbl)	Heavy Oil (mbbl)	Natural Gas Liquids (mbbl)	Natural Gas (mmcf)	Oil Equivalent (mboe)
<b>Proved</b>					
Developed Producing	13,003	1,676	3,285	167,529	45,886
Developed Non-producing	356	1	189	13,760	2,839
Undeveloped	2,389	49	309	17,270	5,625
<b>Total Proved</b>	<b>15,748</b>	<b>1,726</b>	<b>3,783</b>	<b>198,559</b>	<b>54,350</b>
Probable	12,058	961	2,227	89,098	30,097
<b>Total Proved + Probable</b>	<b>27,806</b>	<b>2,687</b>	<b>6,010</b>	<b>287,657</b>	<b>84,447</b>

**Present Value of Future Net Revenue using Sproule Constant price assumptions  
 (\$000)**

	Before Income Taxes Discounted at		
	0%	5%	10%
<b>Proved</b>			
Developed Producing	\$1,736,693	\$1,295,126	\$1,051,957
Developed Non-producing	102,011	82,136	68,304
Undeveloped	164,983	123,709	95,979
<b>Total Proved</b>	<b>2,003,687</b>	<b>1,500,971</b>	<b>1,216,240</b>
Probable	1,127,351	637,720	425,253
<b>Total Proved + Probable</b>	<b>\$3,131,038</b>	<b>\$2,138,691</b>	<b>\$1,641,493</b>

Advantage's crude oil, natural gas and natural gas liquid reserves were valued using Sproule's constant price assumptions effective December 31, 2005 prior to the provision for income taxes, interests, debt services charges and general and administrative expenses. It should not be assumed that the discounted future revenue estimated by Sproule represents the fair market value of the reserves.

**Sproule Constant Price Assumptions**

Crude Oil:

West Texas Intermediate	US\$ 61.04/bbl
Edmonton Par	\$ 68.12/bbl
Hardisty Bow River 24.9° API	\$ 37.66/bbl

Natural Gas:

Alberta AECO-C	\$ 9.99/mmbtu
B.C. Westcoast Station 2	\$ 9.27/mmbtu

Natural Gas By-Products:

Propane	\$ 51.90/bbl
Butane	\$ 59.32/bbl
Pentanes Plus	\$ 71.35/bbl

Foreign Exchange

\$US/\$Cdn	\$ 0.86
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**Forward-Looking Information**

The information in this release contains certain forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar expressions. These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond Advantage's control, including: the impact of general economic conditions; industry conditions; changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; fluctuations in commodity prices and foreign exchange and interest rates; stock market volatility and market valuations; volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves; competition for, among other things, capital, acquisitions, of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry and income trusts; geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves; and obtaining required approvals of regulatory authorities. Advantage's actual results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits that Advantage will derive from them. Except as required by law, Advantage undertakes no obligation to publicly update or revise any forward-looking statements.