



NEWS RELEASE

ALTAGAS' HARMATTAN COMPLEX RETURNS TO FULL OPERATIONS

Calgary, Alberta (August 12, 2008) – AltaGas Income Trust (AltaGas or the Trust) (TSX: ALA.UN) today announced that its Harmattan Complex has returned to full operations. The Complex, which is located approximately 100 kilometres northwest of Calgary, Alberta, had been shut down on July 24, 2008 following a fire that was confined to an oil heater. On the afternoon of July 28, the Complex resumed operations at reduced levels. At that time, the Complex was gathering and processing gas at close to normal levels, while some extraction functions were limited. As of August 11, the Complex is processing gas at pre-incident volumes, with full extraction and fractionation capabilities.

As previously announced, AltaGas is spending \$55 million on growth initiatives at its Harmattan Complex. The recent incident will not delay any of the initiatives, which include consolidating a gas plant in the Carstairs area of southern Alberta, commissioning additional gathering systems, and efficiency enhancements to increase volumes and boost reliability. These projects are underway and are expected to be in service by fourth quarter of 2008. Once complete, the initiatives are expected to increase volumes processed at this facility by between 25 and 30 percent and increase AltaGas' ethane extraction volumes by 1,800 to 2,400 Bbls/d.

AltaGas Income Trust is one of Canada's largest and fastest growing energy infrastructure organizations. The Trust creates value by acquiring, growing and optimizing gas and power infrastructure, including a focus on renewable energy sources.

AltaGas Income Trust's units are listed on the Toronto Stock Exchange under the symbol ALA.UN. The Trust is included in the S&P/TSX Composite Index, the S&P/TSX Income Trust Index and the S&P/TSX Capped Energy Trust Index.

This news release contains forward-looking statements. When used in this news release, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Trust or an affiliate of the Trust, are intended to identify forward-looking statements. In particular, this news release contains forward-looking statements with respect to, among other things, business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Trust's current views with respect to future events based on certain material factors and assumptions and are subject to certain risks and uncertainties, including without limitation, changes in market, competition, governmental or regulatory developments, general economic conditions and other factors set out in the Trust's public disclosure documents. Many factors could cause the Trust's actual results, performance or achievements to vary from those described in this news release, including without limitation those listed above. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this news release as intended, planned, anticipated, believed, sought, proposed, estimated or expected, and such forward-looking statements included in, or incorporated by reference in this news release, should not be unduly relied upon. Such statements speak only as of the date of this news release. The Trust does not intend, and does not assume any obligation, to update these forward-looking statements. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

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