

ALTAGAS LTD. ACQUIRES INTEREST IN 75 Mmcf/d GAS PLANT AND ANNOUNCES NEW PIPELINE TO JEEP

Calgary, Alberta (June 19, 2012)

AltaGas Ltd. ("AltaGas") (TSX:ALA) (TSX:ALA.PR.A) (TSX:ALA.PR.U) (TSX:ALA.R) announced today that it has entered into an agreement with Quatro Resources Inc. (Quatro) to acquire 50 percent interest of Quatro's Midstream Assets, including its 87 percent interest in the 75 Mmcf/d Gilby Gas Plant for approximately \$20 million. The acquisition is expected to close in third quarter 2012.

In addition, AltaGas will construct a 70-kilometre pipeline to connect the Gilby Gas Plant and AltaGas' 30 Mmcf/d Sylvan Lake Gas Plant to AltaGas' deep-cut, turbo expander facility at the Joffre Ethane Extraction Plant ("JEEP"). Increased volumes processed at the plant are expected to fully utilize JEEP's excess capacity.

"This project is another example of AltaGas' ability to integrate key assets and leverage existing capacity", said David Cornhill, Chairman and CEO of AltaGas. "We will be able to process gas in an area that is rich in liquids and short on deep-cut processing capacity."

The construction of the pipeline into West-Central Alberta will provide producers in the Hoadley Glauconite and Duvernay resource plays with increased recovery of natural gas liquids ("NGL"), improve their recoverable barrels of oil equivalent ("BOEs") and increase the value received for their ethane and other NGL products. The pipeline project is subject to customary conditions. The project is expected to cost approximately \$100 million and be completed by late 2013.

The volumes committed to the pipeline and JEEP are underpinned by a long-term fee-for-service contract. This contract is consistent with AltaGas' strategy to increase stable earnings across all its businesses. AltaGas sells approximately 11 percent of the liquids it produces at spot prices and in 2012 has hedged approximately 80 percent at an average frac spread of \$35/Bbl. For the remainder of 2012, approximately five percent of AltaGas' expected EBITDA is exposed to commodity prices. "As we add the SEMCO utilities in third quarter, we continue to grow our earnings and cash flow with a portfolio of long-life stable assets," said Mr. Cornhill.

AltaGas is an energy infrastructure business with a focus on natural gas, power and regulated utilities. AltaGas creates value by acquiring, growing and optimizing its energy infrastructure, including a focus on renewable energy sources. For more information visit: www.altagas.ca.

Investment Community
1-877-691-7199
investor.relations@altagas.ca

Media
(403) 691-9873
media.relations@altagas.ca

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