

ALTAGAS LTD. AND IDEMITSU KOSAN CO.,LTD. FORM PARTNERSHIP TO PURSUE OPPORTUNITIES TO EXPORT ENERGY FROM CANADA

Calgary, Alberta (January 29, 2013)

AltaGas Ltd. ("AltaGas") (TSX:ALA) (TSX:ALA.PR.A) (TSX:ALA.PR.U) and Idemitsu Kosan Co.,Ltd. ("Idemitsu") (Tokyo Stock Exchange: 5019) today announced that the companies have signed an agreement to form the AltaGas Idemitsu Joint Venture Limited Partnership ("Partnership"). The Partnership plans to pursue opportunities involving exports of liquefied petroleum gas ("LPG") and liquefied natural gas ("LNG") from Canada to Asia. AltaGas and Idemitsu will each own a 50 percent interest in the Partnership.

"We are excited to partner with Idemitsu, a global leader in the supply of energy, petroleum, lubricants and petrochemical products and services to the people of Japan. Idemitsu has a proud heritage of creating value for the benefit of Japan and the societies, consumers and communities in which they operate", said David Cornhill, Chairman and CEO of AltaGas. "We are pleased to work with Idemitsu to develop opportunities that will be good for the people of Japan and Canada. As we move forward, we will continue in our commitment to engage and work effectively with Governments, First Nations, and other stakeholders."

"Canada is one of the world's most resource-rich countries and has proven to be a very promising new supplier of gas to Japan. As a leading energy infrastructure company in Canada, AltaGas has enjoyed rapid and sustainable growth in its natural gas infrastructure, power generation, and natural gas distribution businesses. The Partnership with AltaGas is a natural fit with Idemitsu's gas and power business. AltaGas is simply the best strategic partner for us in terms of both existing business and potential opportunities, and we have great expectations and enjoyment in our collaborative discussions with this rapidly growing company. We believe that a joint venture with AltaGas will enhance the businesses of both companies while making a significant contribution to the national interests of both Canada and Japan," said Mr. Kazuhisa Nakano, President of Idemitsu Kosan Co., Ltd.

The Partnership plans to pursue opportunities to develop long-term natural gas supply and sales arrangements to meet the growing demand for natural gas in Asia. As Asia's largest LNG consumer, Japan would benefit from a new and dependable source of LNG from the Partnership. LNG from Canada would provide a clean, stable, and reliable source of energy to meet Japan's growing demand for natural gas. The development of a Canadian LNG export opportunity would also provide long-term benefits to Canadians at a time when Canada is seeking to diversify its energy markets.

The Partnership will undertake feasibility studies for the development and construction of

liquefaction facilities as part of the proposed project to export LNG to markets in Asia. The feasibility study is expected to be completed by early 2014. The pipeline capacity required to transport natural gas to the liquefaction facility is expected to be provided by AltaGas' wholly owned subsidiary Pacific Northern Gas Ltd. Subject to consultations with First Nations, and the completion of the feasibility study, permitting, regulatory approvals and facility construction, the proposed LNG exports could begin as early as 2017.

The Partnership also plans to pursue opportunities to develop a LPG export business, including logistics, plant refrigeration and storage facilities. The feasibility study is expected to be completed in 2013. Idemitsu is a shareholder of Astomos Energy Corporation, one of the world's largest LPG suppliers. Subject to consultations with First Nations, and the completion of the feasibility study, permitting, regulatory approvals and facility construction, the proposed LPG export business could begin as early as 2016.

The Partnership will also evaluate additional opportunities to own and operate infrastructure assets for other energy businesses in North America and to supply energy from North America to Japan and other growing countries in Asia. These opportunities are expected to develop over time as AltaGas and Idemitsu work together to create value for their shareholders and the communities in which they operate.

Company Profiles

Company Name	AltaGas Ltd.
Location	1700, 355 - 4th Avenue, S.W. Calgary, Alberta T2P 0J1 CANADA
Representative	David W. Cornhill
Established	April 1, 1994
Business Description	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.
Website	www.altagas.ca

Company Name	Idemitsu Kosan Co.,Ltd.
Location	3-1-1 Marunouchi, Chiyoda-ku, Tokyo, JAPAN
Representative	Kazuhisa Nakano
Established	March 30, 1940
Business Description	Petroleum refining and manufacture and sale of oil products manufacture and sale of petrochemical products , E&P of petroleum and coal.
Website	www.idemitsu.com

AltaGas contact information:

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

Media
TEL:+1-403-691-9873
media.relations@altagas.ca

Idemitsu contact information:

Investment-Relations
TEL:+81-3-3213-9307
Relations Office, Treasury Department

Media
TEL:+81-3-3213-3115
PR section, PR&CSR Office

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 AltaGas or an affiliate of AltaGas, 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 AltaGas’ 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 AltaGas’ public disclosure documents. Many factors could cause AltaGas’ 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. AltaGas 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.