

## ALTAGAS LTD. ANNOUNCES \$150 MILLION PREFERRED SHARE OFFERING

**Calgary, Alberta (December 4, 2013)**

NOT FOR DISTRIBUTION INTO THE UNITED STATES OR TO UNITED STATES WIRE SERVICES

AltaGas Ltd. ("AltaGas") (TSX:ALA) (TSX:ALA.PR.A) (TSX:ALA.PR.U) announced today that it will issue 6,000,000 Cumulative Redeemable Rate Reset Preferred Shares, Series E (the "Series E Preferred Shares"), at a price of \$25.00 per Series E Preferred Share ("the Offering") for aggregate gross proceeds of \$150 million on a bought deal basis. The Series E Preferred Shares will be offered to the public through a syndicate of underwriters co-led by TD Securities Inc., RBC Capital Markets and Scotiabank.

Holders of the Series E Preferred Shares will be entitled to receive a cumulative quarterly fixed dividend for the initial period ending on but excluding December 31, 2018 (the "Initial Period") at an annual rate of 5.0%, payable on the last day of March, June, September and December, as and when declared by the Board of Directors of AltaGas. The first quarterly dividend payment is payable on March 31, 2014 and shall be \$0.3699 per Series E Preferred Share. The dividend rate will reset on December 31, 2018 and every five years thereafter at a rate equal to the sum of the then five-year Government of Canada bond yield plus 3.17%. The Series E Preferred Shares are redeemable by AltaGas, at its option, on December 31, 2018 and on December 31 of every fifth year thereafter.

Holders of Series E Preferred Shares will have the right to convert all or any part of their shares into Cumulative Redeemable Floating Rate Preferred Shares, Series F (the "Series F Preferred Shares"), subject to certain conditions, on December 31, 2018 and on December 31 every fifth year thereafter. Holders of Series F Preferred Shares will be entitled to receive a cumulative quarterly floating dividend at a rate equal to the sum of the then 90-day Government of Canada Treasury Bill yield plus 3.17%, as and when declared by the Board of Directors of AltaGas.

The Offering is expected to close on or about December 13, 2013. Net proceeds will be used to reduce outstanding indebtedness and for general corporate purposes. AltaGas has granted to the underwriters an option, exercisable in whole or in part at any time up to 48 hours prior to closing of the Offering, to purchase up to an additional 2,000,000 Series E Preferred Shares at a price of \$25.00 per share.

The Series E Preferred Shares will be issued pursuant to a prospectus supplement that will be filed with securities regulatory authorities in Canada under AltaGas' short form base shelf prospectus dated August 23, 2013. The Offering is only made by way of a prospectus. The prospectus contains important detailed information about the securities

being offered. The Offering is subject to receipt of all necessary regulatory and stock exchange approvals.

The Series E Preferred Shares have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any offer, solicitation or sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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 clean energy sources. For more information visit: [www.altagas.ca](http://www.altagas.ca).

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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, the use of proceeds from the Offering, the anticipated closing date of the Offering and the terms of the Series E Preferred Shares and the Series F Preferred Shares. 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.