



## NEWS RELEASE

### **ALTAGAS REORGANIZES TO DIVIDEND PAYING CORPORATION, ANNOUNCES NEW \$600 MILLION CREDIT FACILITY**

**Calgary, Alberta (July 2, 2010)** – AltaGas Income Trust (the "Trust") and AltaGas Ltd. ("AltaGas") are pleased to announce the successful completion of the previously announced plan of arrangement (the "Arrangement") by virtue of which the business of the Trust was reorganized into a dividend paying corporation. Pursuant to the Arrangement, former holders of trust units of the Trust ("Trust Units") and exchangeable limited partnership units of AltaGas Holding Limited Partnership No.1 ("LP #1") are entitled to receive one common share of AltaGas (a "Common Share") for each Trust Unit or exchangeable limited partnership unit. A letter of transmittal pursuant to which holders could transmit their units in exchange for Common Shares was previously delivered to all such holders.

After giving effect to the Arrangement, AltaGas has approximately 81,635,284 Common Shares issued and outstanding.

Within 2 to 3 business days of the Toronto Stock Exchange (the "TSX") confirming receipt of all necessary documentation in connection with the completion of the Arrangement and related matters, the Trust Units will be delisted from the TSX and the Common Shares of AltaGas will be substitutionally listed in their place under the symbol "ALA".

AltaGas has entered into agreements for a new \$600 million credit facility with a syndicate of nine banks. The credit facility will be used to retire and replace LP#1's \$150 million credit facility and \$375 million credit facility that would have matured in August and September 2010 respectively. The facility has a three year term expiring on June 30, 2013.

In July 2010, AltaGas expects to file a new base shelf prospectus to replace the Trust base shelf prospectus as a normal course of business associated with the conversion to a dividend paying corporation.

AltaGas Ltd. is one of Canada's largest and fastest growing energy infrastructure organizations. AltaGas Ltd. creates value by acquiring, growing and optimizing gas and power infrastructure, including a focus on renewable energy sources. For more information visit: [www.altagas.ca](http://www.altagas.ca)

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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