



NEWS RELEASE

Taylor NGL Limited Partnership Announces Redemption of 5.85% Convertible Unsecured Subordinated Debentures on September 16, 2009

Calgary, Alberta (August 17, 2009) – Taylor NGL Limited Partnership (Taylor), an indirect, wholly-owned subsidiary of AltaGas Income Trust (the Trust), today announced that it will redeem the \$16,570,000 of outstanding 5.85% convertible subordinated unsecured debentures (the Debentures) as of September 16, 2009. Taylor will pay a redemption amount of \$1,000.96 for each \$1,000.00 principal amount of debentures. The redemption amount is equal to the principal and all accrued and unpaid interest thereon to but excluding the redemption date (collectively, the Total Redemption Price).

The Total Redemption Price will be paid to holders upon presentation and surrender of the Debentures called for redemption at Computershare Trust Company of Canada, Suite 600, 530-8th Ave SW, Calgary, AB T2P 3S8 Attention: Corporate Trust. See the redemption notice posted on Taylor NGL Limited Partnership's SEDAR profile for further details.

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 press release contains certain forward-looking statements that are based on Taylor's current expectations, estimates, projections and assumptions and includes statements herein regarding Taylor's intention to redeem the Debentures and the terms of such redemption. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expects", "projects", "plans", "anticipates", "targets" and similar expressions. These statements are not guarantees of future performance and are subject to a number of risks and uncertainties as detailed in the Trust's Annual Information Form under the heading "Risk Factors". Undue reliance should not be placed on these forward-looking statements, as known and unknown risks and uncertainties may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Examples of areas of risk and uncertainty include: volume of natural gas delivered for processing at the Partnership's facilities; ability of the facilities to process the natural gas delivered; cost of operating the facilities; cost of maintaining the facilities; and volume and value, net of feedstock costs, of the Partnership's proprietary products such as natural gas liquids (NGL), frac oil and CO₂. Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted. Such forward-looking statements are expressly qualified by the above statements.

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