

ALTAGAS LTD. ANNOUNCES THE CLOSING OF THE SALE OF NON-CORE GAS ASSETS

Calgary, Alberta (February 29, 2016)

AltaGas Ltd. ("AltaGas") (TSX:ALA) announced today that through its wholly owned subsidiaries, AltaGas Processing Partnership ("AltaGas PP") and AltaGas Holdings Inc., it has successfully completed the sale of the AltaGas Northcentral Processing Limited Partnership (the "Tidewater Disposition"), a limited partnership containing certain non-core natural gas gathering and processing assets located primarily in central and north-central Alberta, to Tidewater Midstream and Infrastructure Ltd. ("Tidewater").

Total consideration received by AltaGas PP in connection with the Tidewater Disposition was \$30 million in cash and 43,703,571 common shares in the capital of Tidewater (the "Tidewater Shares"). As a result of the Tidewater Disposition, AltaGas PP now owns and controls 19.90% of the issued and outstanding Tidewater Shares. AltaGas has acquired the Tidewater Shares for investment purposes only. AltaGas may acquire further Tidewater Shares (subject to the limitations of a shareholder agreement between AltaGas and Tidewater entered into in connection with the Tidewater Disposition), or dispose of its holdings of Tidewater Shares, as investment conditions warrant.

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.

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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, AltaGas' investment intentions regarding the Tidewater 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.