

ALTAGAS LTD. ANNOUNCES CLOSING OF \$2.5 BILLION SUBSCRIPTION RECEIPT OFFERING COMPRISED OF \$2.1 BILLION BOUGHT DEAL AND \$400 MILLION PRIVATE PLACEMENT

Calgary, Alberta (February 3, 2017)

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AltaGas Ltd. ("AltaGas") (TSX:ALA) announced today that it has completed its previously announced public offering of 67,800,000 subscription receipts (the "Subscription Receipts"), on a bought deal basis, at an issue price of \$31.00 per Subscription Receipt (the "Offering Price"), for total gross proceeds of approximately \$2.1 billion (the "Public Offering"). Additionally, AltaGas has completed the private placement (the "Private Placement") to OMERS, the pension plan for Ontario's municipal employees, of 12,910,000 Subscription Receipts at the Offering Price for aggregate gross proceeds of approximately \$400 million.

The Public Offering was first announced on January 25, 2017 when AltaGas entered into an agreement with a syndicate of underwriters co-led by TD Securities Inc., RBC Capital Markets and J.P. Morgan Securities Canada Inc. TD Securities Inc., RBC Capital Markets and J.P. Morgan Securities Canada Inc. also acted as joint bookrunning agents on the Private Placement, which was also announced on January 25, 2017.

The net proceeds from the Public Offering and the Private Placement (together, the "Offerings") will be used to partially finance the previously announced \$8.4 billion acquisition of WGL Holdings, Inc. ("WGL") (NYSE: WGL) (the "Acquisition"). WGL is the sole shareholder of Washington Gas Light Company, a regulated natural gas utility company headquartered in Washington, D.C. WGL also owns non-regulated power, midstream and energy marketing businesses in the United States, with a growing strategic footprint in the Marcellus/Utica gas formation.

Each Subscription Receipt will entitle the holder thereof to receive, without payment of additional consideration or further action, upon closing of the Acquisition, one common share ("Common Share") of AltaGas.

In addition, while the Subscription Receipts remain outstanding, holders will be entitled to receive cash payments ("Dividend Equivalent Payments") per Subscription Receipt that are equal to dividends declared by AltaGas on each Common Share. Such Dividend Equivalent Payments will have the same record date as the related Common Share dividend and will be paid to holders of Subscription Receipts concurrently with the payment date of each such dividend. Dividend Equivalent Payments will be paid first out of any interest on the Escrowed Funds (defined below) and then out of the Escrowed Funds.

The proceeds from the sale of the Subscription Receipts (the "Escrowed Funds") will be held in escrow by Computershare Trust Company of Canada, as escrow agent (the "Escrow Agent") and invested in interest-bearing deposits with banks and other financial institutions with issuer credit ratings with Standard & Poor's Ratings Services

of at least A (as contemplated by, or specified in, the escrow agreement) or other approved investments as set forth in the escrow agreement, provided that Dividend Equivalent Payments may be made from the Escrowed Funds and the interest credited or received thereon from time to time, as described above.

The Subscription Receipts will begin trading on the Toronto Stock Exchange today under the symbol ALA.R.

All references to dollar amounts contained herein are to Canadian dollars unless otherwise indicated.

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, the use of proceeds of the Offerings, the proposed acquisition of WGL, the payment of Dividend Equivalent Payments, the release of the proceeds of the Offerings from escrow and the conversion of Subscription Receipts to Common Shares, business objectives, expected growth, and business projects and opportunities. 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, that the timing for satisfying all conditions to closing of the Acquisition will proceed as expected and that the Offerings will close on the terms and at the times described herein, as well as AltaGas' views with respect to 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.