



NEWS RELEASE

ALTAGAS INCOME TRUST RAISES \$88.5 MILLION THROUGH TRUST UNIT OFFERING

Calgary, Alberta (June 10, 2004) -- AltaGas Income Trust ("AltaGas") (TSE:ALA.UN) today closed the previously announced offering of 4,730,000 Trust Units, at a price of \$18.70 per Trust Unit for gross proceeds of \$88,451,000. The offering includes the concurrent exercise in whole by the Underwriters of an over-allotment option granted by AltaGas to purchase an additional 10 percent of the issue or 430,000 Trust Units on the same terms within 30 days following the date of closing. The syndicate of Underwriters was lead by RBC Capital Markets and Clarus Securities Inc., and included BMO Nesbitt Burns Inc., Scotia Capital Inc., CIBC World Markets Inc., National Bank Financial Inc., Canaccord Capital Corporation and Peters & Co. Limited.

The net proceeds attributable to the sale of Trust Units will be used to reduce bank indebtedness, which may be redrawn and used for general corporate purposes including AltaGas' ongoing capital program, the funding of the Edmonton Ethane Extraction Plant acquisition announced on March 18, 2004 and future acquisitions.

AltaGas Income Trust will commence monthly distributions on June 15, 2004 to holders of Trust and Exchangeable Units of record on May 25, 2004. The amount of the distribution on June 15 will be \$0.15 per Unit. The purchasers of Trust Units under this offering will be eligible to receive the anticipated July 15, 2004 distribution.

AltaGas moves energy from its source to the end user, adding value through the process. The Trust has assets totaling almost \$950 million and a market capitalization of approximately \$1 billion. Its steadily expanding asset base today includes natural gas gathering and processing facilities, interests in ethane and natural gas liquids extraction plants, and transmission pipelines. AltaGas distributes natural gas to Alberta customers through AltaGas Utilities Inc., to customers in the Northwest Territories through the Ikhil Gas Project and distributes gas in Nova Scotia through its interest in Heritage Gas Limited. The Trust provides energy services to customers, including marketing of natural gas and natural gas liquids and sale of power from its power purchase based arrangements.

AltaGas' Trust Units are listed on the Toronto Stock Exchange under the symbol ALA.UN. The Trust is included in the S&P/TSX Capped Income Trust Index and the S&P/TSX Capped Energy Trust Index.

This news release does not constitute an offer to sell securities, nor is it a solicitation of an offer to buy securities, in any jurisdiction. All sales will be made through registered securities dealers in jurisdictions where the offering has been qualified for distribution. The Trust Units offered are not, and will not be, registered under the securities laws of the United States of America, nor any State thereof and may not be sold in the United States of America absent registration in the United States or the availability of an exemption from such registration.

When used in this press release, the words "anticipate", "estimate", and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in the forward looking statements. These risks and uncertainties include operating performance, regulatory and environmental issues, weather and economic conditions, competition and financing availability. For additional information on these and other factors see the reports filed by AltaGas with Canadian securities regulators. AltaGas disclaims any intention or obligation to update or revise any forward looking information whether as a result of new information or future event.

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