



NEWS RELEASE

ALTAGAS INCOME TRUST TO EXPAND PRAIRIE RIVER GAS PLANT

Calgary, Alberta (April 11, 2006) – AltaGas Income Trust (AltaGas or the Trust) (TSX: ALA.UN) today announced that it will spend approximately \$9 million to increase throughput at the Prairie River Gas Plant located east of High Prairie, Alberta. The addition of compression and refrigeration capability will result in throughput increasing up to 10 Mmcf/d, and is expected to be in service in the third quarter of 2006.

In addition, AltaGas will also see an increase in throughput of up to 5 Mmcf/d at its Iron Creek facility in the Birch Wavy area of Central Alberta due to the installation of a refrigeration plant. At the Rainbow Lake facility in Northwest Alberta, pipeline modifications will allow throughput to increase by as much as 10 Mmcf/d. Both these projects are in service and volumes are expected to increase over the next few months.

AltaGas has committed to more than \$16 million of capital expenditures to date in 2006 in response to continued high levels of drilling activity in many of AltaGas' field gathering and processing locations. This capital is backstopped by financial commitments by new and existing producers operating in these areas.

"AltaGas will spend more than \$40 million on internal expansion of our Field Gathering and Processing segment again this year," said David Cornhill, Chairman, President and CEO of AltaGas. He added, "The new facilities at Blair Creek, Clear Prairie and Princess added in late 2005 and early 2006 and these new expansions and facility improvements will allow us to continue providing reliable and cost-effective gas processing services to our producer customers, while enhancing unitholder value."

AltaGas Income Trust is one of Canada's largest and fastest growing integrated energy infrastructure and services organizations. The Trust creates value by growing and optimizing assets and services across the energy value chain to serve North America's energy demand. Since 1994, AltaGas Income Trust has expanded its business to include natural gas gathering, processing and transmission, extraction of ethane and natural gas liquids, power generation, marketing of natural gas and natural gas liquids, as well as retail energy services to commercial, industrial and institutional end-users across Canada.

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 Capped Income Trust Index and the S&P/TSX Capped Energy Trust Index.

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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