



NEWS RELEASE

ALTAGAS INCREASES MONTHLY COMMON SHARE DIVIDEND AND DECLARES QUARTERLY PREFERRED SHARE DIVIDEND

Calgary, Alberta (October 27, 2011) – AltaGas Ltd. ("AltaGas") (TSX: ALA) today announced that the Board of Directors of AltaGas ("Board") approved a five percent increase in the annual common share dividend rate to \$1.38 from \$1.32 per common share. The first monthly dividend payment of \$0.115 per common share is payable on or after December 15, 2011 to common shareholders of record at close of business on November 25, 2011, of AltaGas' outstanding common shares. The ex-dividend date is November 23, 2011. This dividend is an eligible dividend for Canadian income tax purposes.

AltaGas has a Dividend Reinvestment and Optional Share Purchase Plan ("DRIP") for eligible shareholders of AltaGas. Eligible shareholders may reinvest the cash dividends paid by AltaGas on their common shares toward the purchase of new common shares at a five percent discount to the average market price as defined in the DRIP.

The Board also approved a dividend of \$ 0.3125 per share for the period commencing October 1, 2011, and ending December 30, 2011, on AltaGas' outstanding Series A Preferred Shares. The dividend will be paid on December 30, 2011, to shareholders of record on December 14, 2011. The ex-dividend date is December 12, 2011.

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 renewable energy sources. For more information visit: www.altagas.ca

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, 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 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.

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