

ALTAGAS CLOSES ACQUISITION OF 25 PERCENT INTEREST IN PETROGAS ENERGY CORP.

Calgary, Alberta (October 1, 2013)

AltaGas Ltd. ("AltaGas") (TSX:ALA) (TSX:ALA.PR.A) (TSX:ALA.PR.U) announced today that it has successfully completed the acquisition of a 25 percent interest in Petrogas Energy Corp. ("Petrogas"), a privately held leading North American integrated midstream company, for approximately 2.8 million shares of AltaGas priced at \$35.69, the 20-day volume weighted average price, and cash (the "Acquisition"). The Acquisition is expected to be meaningfully accretive to earnings and cash flow per share.

"This Acquisition provides excellent opportunities to work together to enhance value across our midstream businesses," said David Cornhill, Chairman and CEO of AltaGas. "Together, our expertise, assets and geographic reach allow us to provide a range of energy solutions to our customers, and also position us well to pursue energy export initiatives to drive future growth."

AltaGas has retained a conditional option to purchase directly or indirectly up to an additional 25 percent interest in Petrogas in 2013. AltaGas will continue to maintain its strong balance sheet and financial discipline and its commitment to maintaining an investment grade credit rating.

About AltaGas Ltd.

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.

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 anticipated impact of the Acquisition on earnings and cash flow per share, 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.

AltaGas

News Release

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