

ALTAGAS LTD. ANNOUNCES DECISION ON HARMATTAN CO-STREAM PROJECT

Calgary, Alberta (July 19, 2012)

AltaGas Ltd. ("AltaGas") (TSX:ALA) (TSX:ALA.PR.A) (TSX:ALA.PR.U) (TSX:ALA.R) today received the Alberta Court of Appeal decision dismissing the third party appeal of the decision of the Energy Resources Conservation Board (ERCB) which approved the Harmattan Co-stream project. AltaGas originally received the ERCB approval of the project on December 7, 2010.

In early January 2011, two of the initial interveners in AltaGas' ERCB application filed notices of motion for leave to appeal the ERCB decision to approve the Co-stream Project at the Court of Appeal of Alberta. In late January, one of those parties filed an application with the ERCB for a Review and Variance of the ERCB Decision. The application was dismissed by the ERCB on May 27, 2011. The leave to appeal applications were heard on June 8, 2011 and the appealing parties were granted leave to appeal on August 8, 2011. The appealing parties filed their notices of appeal with the Alberta Court of Appeal on September 7, 2011, and the hearing was held on April 5, 2012.

Construction of the Harmattan Co-stream project is progressing and the Company expects commencement of operations in the third quarter of 2012. The Co-stream Project will use 250 Mmcf/d of existing spare capacity to recover ethane and other NGLs from natural gas sources in the NOVA Gas Transmission Ltd. (NGTL) Western System. The project is underpinned by a 20-year cost-of-service contract with NOVA Chemicals Corporation. Currently, 95 percent of expected costs have been incurred. The project is expected to add approximately \$30 million in annualized EBITDA.

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.

Investment Community
1-877-691-7199
investor.relations@altagas.ca

Media
(403) 691-9873
media.relations@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.