AltaGas

ALTAGAS ANNOUNCES $350 MILLION BOUGHT DEAL SUBSCRIPTION RECEIPT OFFERING

On February 1, 2012, AltaGas agreed to sell, on a bought deal basis, an aggregate of 12,100,000 subscription receipts at a price of $29.00 per subscription receipt for gross proceeds of approximately $350 million through a syndicate of investment dealers. AltaGas has also granted the underwriters an option to purchase, in whole or part, up to an additional 1,815,000 subscription receipts for a price of $29.00 per subscription agreement to cover over-allotments, if any, for a period of 30 days following the closing of the offering. If the over-allotment option is exercised in full, gross proceeds from the offering will be approximately $403 million.

The subscription receipts will be offered in all provinces of Canada by way of a short form prospectus. The offering is subject to the receipt of all necessary regulatory and stock exchange approvals. Closing of the offering is expected to occur on or about February 22, 2012.

The subscription receipts have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws. This announcement shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the subscription receipts in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.

Each subscription receipt will entitle the holder thereof to receive, without payment of additional consideration or further action, upon closing of the acquisition and upon satisfaction of certain escrow release conditions, one common share of AltaGas plus an amount equal to the dividends AltaGas declares on the common shares, if any, for record dates which occur during the period from and including the closing date of the offering to but not including the date of issuance of the common shares issuable on the deemed exercise of the subscription receipts, net of any applicable withholding taxes.

The net proceeds from the sale of the subscription receipts will be held by an escrow agent pending, among other things, receipt of all regulatory and government approvals required to finalize the acquisition of SEMCO Holding Corporation ("SEMCO") and fulfillment or waiver of all other outstanding conditions precedent to closing the acquisition. In the event such approvals and conditions are not satisfied prior to November 30, 2012, or if the Acquisition Agreement is terminated prior to such time, or AltaGas advises the underwriters or discloses to the public that it does not intend to proceed with the acquisition of SEMCO, the holders of the subscription receipts will be entitled to receive an amount equal to the full subscription price thereof plus their pro rata share of the interest earned on the escrowed funds, net of any applicable withholding taxes.

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