Base Shelf Prospectus

*This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. Unless otherwise specified in the applicable prospectus and/or pricing supplement, the securities to be offered hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws. Accordingly, these securities may not be offered or sold within the United States of America or to a U.S. Person (as such term is defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available. Unless otherwise specified in the applicable prospectus and/or pricing supplement, this short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States of America. See "Plan of Distribution".*

This short form prospectus has been filed under legislation in each of the provinces of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

***Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice President and General Counsel of AltaGas at 1700, 355 – 4th Avenue S.W., Calgary, Alberta, T2P 0J1 (telephone (403) 691-7575) and are also available electronically at www.sedar.com.*

SHORT FORM BASE SHELF PROSPECTUS

New Issue September 7, 2017

ALTAGAS LTD.

$5,000,000,000

Common Shares
Preferred Shares
Subscription Receipts
Debt Securities

AltaGas Ltd. ("**AltaGas**" or the "**Corporation**") may from time to time offer and issue the following securities: (i) common shares in the capital of AltaGas ("**Common Shares**"); (ii) preferred shares in series in the capital of AltaGas ("**Preferred Shares**"); (iii) subscription receipts ("**Subscription Receipts**"); and (iv) notes or other types of unsecured debt securities which may be issuable in series and securities convertible into or exchangeable for Common Shares (collectively, "**Debt Securities**" and, together with the Common Shares, the Preferred Shares and the Subscription Receipts, the "**Securities**"), or any combination thereof, up to an aggregate offering price of $5,000,000,000 (or its equivalent in any other currency used to denominate the Securities) during the 25-month period that this short form base shelf prospectus (this "**prospectus**"), including any amendments hereto, remains effective.

The Securities may be offered for sale separately or in combination with one or more other Securities, in amounts, at prices and on terms to be determined based on market conditions and other factors AltaGas may deem relevant at the time of sale and set forth in an accompanying shelf prospectus supplement (a "**prospectus supplement**").

The specific terms of any offering of Securities will be set forth in a prospectus supplement including, where applicable: (i) in the case of Common Shares, the number of Common Shares offered and the offering price (in the event the offering is a fixed price distribution) or the manner of determining the offering price (in the event the offering is a non-fixed price distribution); (ii) in the case of the Preferred Shares, the designation of the particular series, the number of Preferred Shares offered, the offering price or the manner of determining the offering price, any voting rights, the dividend rate, the dividend payment dates, and terms for redemption at the option of AltaGas or the holder, any exchange or conversion terms and any other specific terms; (iii) in the case of Subscription Receipts, the number of Subscription Receipts offered, the currency (which may be Canadian dollars or any other currency), the issue price, the terms and procedures for the exchange of the Subscription Receipts and any other specific terms; and (iv) in the case of Debt Securities, the specific designation of the Debt Securities, any limit on the aggregate principal amount or number of the Debt Securities, the currency, the issue and delivery date, the maturity date, the offering price (or the manner of determination thereof if offered on a non-fixed price basis), whether the Debt Securities will bear interest, the interest rate or method of determining the interest rate, the interest payment date(s), any terms of redemption, any conversion or exchange rights, the repayment terms, the form (either global or definitive), the authorized denominations and any other specific terms. A prospectus supplement may include other specific terms pertaining to the Securities that are not prohibited by the parameters set forth in this prospectus.

All shelf information permitted under applicable laws to be omitted from this prospectus will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus. A prospectus supplement containing the specific terms of any offered Securities and other information relating to the offered Securities will be delivered to prospective purchasers of such offered Securities, together with this prospectus, and will be deemed to be incorporated by reference into this prospectus for the purpose of securities legislation as of the date of such prospectus supplement and only for the purpose of the offering of such Securities to which the prospectus supplement pertains.

AltaGas may sell the Securities to or through underwriters or dealers purchasing as principals, and may also sell the Securities directly to one or more purchasers pursuant to applicable statutory exemptions or through agents. See "*Plan of Distribution*". The prospectus supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent, as the case may be, engaged by AltaGas in connection with the offering and sale of the Securities, and will set forth the terms of the offering of such Securities, including the type of security being offered, the public offering price (or the manner of determination thereof if offered on a non-fixed price basis), the method of distribution of such Securities, the proceeds to AltaGas and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution. Securities may be sold from time to time in one or more transactions at a fixed price or prices or at non-fixed prices. If offered on a non-fixed price basis, Securities may be offered at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers at the time of sale, which prices may vary as between purchasers and during the period of distribution of the Securities.

Prospective investors should be aware that the purchase of Securities may have tax consequences that may not be fully described in this prospectus or in any prospectus supplement, and should carefully review the tax discussion, if any, in the applicable prospectus supplement and in any event consult with an independent tax advisor.

In connection with any offering of Securities and subject to applicable laws, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions which stabilize or maintain the market price of the Securities at a level above that which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*". **No underwriter, dealer or agent has been involved in the preparation of this short form prospectus or performed any review of the contents of this short form prospectus.**

The Common Shares are listed on the Toronto Stock Exchange (the "**TSX**") under the symbol "ALA", the cumulative redeemable 5-year rate reset Preferred Shares, Series A of AltaGas (the "**Preferred Shares, Series A**") are listed on the TSX under the symbol "ALA.PR.A", the cumulative redeemable floating rate preferred shares, Series B of AltaGas (the "**Preferred Shares, Series B**") are listed on the TSX under the symbol "ALA.PR.B", the cumulative redeemable 5-year rate reset Preferred Shares, Series C of AltaGas (the "**Preferred Shares, Series C**") are listed on the TSX under the symbol "ALA.PR.U", the cumulative redeemable 5-year rate reset Preferred Shares, Series E of AltaGas (the "**Preferred Shares, Series E**") are listed on the TSX under the symbol "ALA.PR.E", the cumulative redeemable 5-year rate reset Preferred Shares, Series G of AltaGas (the "**Preferred Shares, Series G**") are listed on the TSX under the symbol "ALA.PR.G", the cumulative redeemable 5-year rate reset Preferred Shares, Series I of AltaGas (the "**Preferred**

Shares, Series I") are listed on the TSX under the symbol "ALA.PR.I" and the cumulative redeemable 5-year rate reset Preferred Shares, Series K of AltaGas (the "**Preferred Shares, Series K**") are listed on the TSX under the symbol "ALA.PR.K". Any offering of Securities would be a new issue of securities and, in the case of any offering of Preferred Shares, Subscription Receipts or Debt Securities, with no established trading market. **Unless otherwise specified in the applicable prospectus supplement and other than the Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I, Preferred Shares, Series K and the WGL Subscription Receipts (as hereinafter defined), there is no market through which the Preferred Shares, Subscription Receipts or Debt Securities may be sold and purchasers may not be able to resell such securities purchased under this prospectus and any prospectus supplement. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities, and the extent of issuer regulation. See "*Risk Factors*".**

Investing in the Securities involves risk. It is important for an investor to consider the particular risk factors that may affect the industry in which it is investing. See, for example, the risk factors set out under "*Risk Factors*" on pages 59 to 72 of the AIF (as defined herein). These sections also describe AltaGas' assessment of those risk factors, as well as the potential consequences to an investor if a risk should occur. The risk factors identified under the heading "*Note Regarding Forward Looking Statements*" in this prospectus should also be carefully reviewed and evaluated by prospective investors before purchasing Securities offered hereunder.

Standard & Poor's Ratings Services ("**S&P**") has assigned a long term issue rating of BBB with a negative outlook and DBRS Limited ("**DBRS**" and, together with S&P, collectively the "**Rating Agencies**") has assigned a long term debt rating of BBB Under Review with Developing Implications, in each case to AltaGas' outstanding medium term notes. Both Ratings Agencies' long term issue and debt ratings range from a high of AAA to a low of D. Credit ratings are not a recommendation to buy, sell or hold securities and are subject to revision or withdrawal by S&P or DBRS at any time. In addition, AltaGas' outstanding Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I and Preferred Shares, Series K have each been rated Pfd-3 Under Review with Developing Implications by DBRS and P-3 (High) by S&P. The Rating Agencies' ratings for preferred shares range from a high of Pfd-1 to a low of D for DBRS and from a high of P-1 to a low of D for S&P. See "*Ratings*".

AltaGas' head and registered offices are located at 1700, 355 – 4th Avenue S.W., Calgary, Alberta T2P 0J1.

The offering of Securities is subject to approval of certain legal matters on behalf of AltaGas by Stikeman Elliott LLP.

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ABOUT THIS PROSPECTUS

Prospective investors should rely only on the information contained in or incorporated by reference into the prospectus or any applicable prospectus supplement. AltaGas has not authorized any other person to provide prospective investors with additional or different information. If anyone provides prospective investors with different or inconsistent information, prospective investors should not rely on it. AltaGas will offer to sell, and seek offers to buy, Securities only in jurisdictions where offers and sales are permitted. Prospective investors should assume that the information appearing in this prospectus, any applicable prospectus supplement or any information AltaGas has previously filed with the securities regulatory authority in each of the provinces of Canada that is incorporated in this prospectus by reference, is accurate as of their respective dates only. AltaGas' business, financial condition, results of operations and prospects may have changed since those dates.

In this prospectus, and in any prospectus supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars. References to "dollars" or "$" are to the lawful currency of Canada. References to "U.S. dollars" or "US$" are to the lawful currency of the United States.

Unless otherwise indicated, all financial information incorporated by reference in this prospectus has been prepared in accordance with United States generally accepted accounting principles ("**US GAAP**"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto under the heading "*Glossary*" of the Prior Prospectus (as defined herein), which section of the Prior Prospectus is specifically incorporated by reference herein.

This prospectus provides a general description of the Securities that AltaGas may offer. Each time AltaGas offers and sells Securities under this prospectus, AltaGas will provide prospective investors with a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add to, update or change information contained in this prospectus. Before investing in any Securities, prospective investors should read both this prospectus and any applicable prospectus supplement together with additional information described below under "*Documents Incorporated by Reference*".

All information permitted under applicable laws to be omitted from this prospectus will be contained in one or more prospectus supplements that will be made available together with this prospectus.

NON-GAAP FINANCIAL MEASURES

Certain information presented in, or incorporated by reference into, this prospectus contain references to certain financial measures that do not have a standardized meaning prescribed by US GAAP and may not be comparable to similar measures presented by other entities and investors are cautioned that these non-US GAAP measures should not be construed as an alternative to net earnings or other measures of financial performance calculated in accordance with US GAAP.

These measures, including "normalized EBITDA", "normalized Net Income" and "normalized Funds from Operations (FFO)", have the meanings set out in the 2017 Q2 MD&A (as hereinafter defined) which is incorporated by reference herein. The specific rationale for, and incremental information associated with (including a reconciliation to the most directly comparable measure calculated in accordance with US GAAP) each non-US GAAP measure is also discussed therein.

NOTE REGARDING FORWARD LOOKING STATEMENTS

This prospectus and the documents incorporated by reference herein contain forward-looking statements. When used in this prospectus and the documents incorporated by reference herein, 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 prospectus and the documents incorporated by reference herein contain forward-looking statements with respect to, among other things, business objectives, AltaGas' vision, focus and strategy, expected growth, results of operations, performance, business projects and opportunities, financial results and the Acquisition (as defined herein) (including the anticipated benefits of the Acquisition).

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' then current views with respect to future events based on certain material facts and assumptions and are subject to certain risks and uncertainties, including without limitation changes in market, competition, governmental or regulatory developments, interest rate and foreign exchange rate risk and general economic conditions and the other factors described under the heading "*Risk Factors*" in the AIF and in this prospectus. The material assumptions in making these forward-looking statements are disclosed in the AIF and the 2016 MD&A, respectively, as may be modified or superseded by documents incorporated or deemed to be incorporated by reference in this prospectus, and comparable sections in the 2017 Q2 MD&A.

Many factors could cause AltaGas' or any of its business segment's actual results, performance or achievements to vary from those described in this prospectus and the documents incorporated by reference herein, including without limitation those listed above as well as the assumptions upon which they are based proving incorrect. 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 prospectus and the documents incorporated by reference herein as intended, planned, anticipated, believed, sought, proposed, estimated or expected, and such forward-looking statements included in this prospectus and the documents incorporated by reference herein should not be unduly relied upon. These statements speak only as of the date of this prospectus or as of the date specified in the documents incorporated by reference herein, as the case may be. AltaGas does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this prospectus and the documents incorporated by reference herein are expressly qualified by these cautionary statements.

Financial outlook information contained in this prospectus and the documents incorporated by reference herein about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information available as of the date of this prospectus or as of the date specified in the documents incorporated by reference herein, as the case may be. Readers are cautioned that such financial outlook information contained in this prospectus and the documents incorporated by reference herein should not be used for purposes other than for which it is disclosed herein or therein, as the case may be.

None of AltaGas', WGL's or Washington Gas' (as defined herein) independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the financial outlook information incorporated by reference in this prospectus, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the financial outlook information.

PRESENTATION OF FINANCIAL INFORMATION

The financial statements of AltaGas incorporated by reference in this prospectus are reported in Canadian dollars and have been prepared in accordance with US GAAP. All financial information of each of WGL and Washington Gas incorporated by reference in this prospectus is reported in U.S. dollars and has been derived from audited and/or unaudited historical financial statements of WGL and Washington Gas, respectively, that were prepared in accordance with US GAAP. Where financial information of WGL or Washington Gas has been converted from U.S. dollars to Canadian dollars for purposes of comparison to and combination with, financial information of AltaGas, U.S. dollars have been converted to Canadian dollars at the exchange rate reflected in such financial statements.

CAUTION REGARDING UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

This prospectus incorporates by reference certain unaudited pro forma consolidated financial statements of AltaGas, giving effect to: (a) the Public Offering and the Concurrent Private Placement; (b) the issuance of Common Shares upon the exchange of the WGL Subscription Receipts; (c) the approximately US$3 billion bridge facility to be provided by a syndicate of lenders in connection with the Acquisition; and (d) the completion of the Acquisition. Such unaudited pro forma consolidated financial statements have been prepared using certain of AltaGas' and WGL's respective historical financial statements as more particularly described in the notes to such unaudited pro forma consolidated financial statements. AltaGas has not independently verified the financial statements of WGL that were used to prepare the unaudited pro forma consolidated financial statements or that are included in this Prospectus. Such unaudited pro forma consolidated financial statements are not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. Actual amounts recorded upon the finalization of the Purchase Price allocation under the Acquisition may differ from the amounts reflected in such unaudited pro forma consolidated financial statements. Since the unaudited pro forma consolidated financial statements have been developed to retroactively show the effect of a transaction that has or is expected to occur at a later date (even though this was accomplished by following generally accepted practice using reasonable assumptions), there are limitations inherent in the very nature of pro forma data. The data contained in the unaudited pro forma consolidated financial statements represents only a simulation of the potential financial impact of AltaGas' acquisition of WGL. Undue reliance should not be placed on such unaudited pro forma consolidated financial statements. See "*Note Regarding Forward Looking Statements*" and "*Risk Factors*".

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice President and General Counsel of AltaGas at 1700, 355 – 4th Avenue S.W., Calgary, Alberta, T2P 0J1, Telephone: (403) 691-7575. These documents are also available through the Internet on the System for Electronic Document Analysis and Retrieval (SEDAR), which can be accessed at www.sedar.com.

The following documents filed by AltaGas with the various provincial securities commissions or similar authorities in Canada, are specifically incorporated into and form an integral part of this prospectus, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this prospectus or in any other subsequently filed document that is also incorporated by reference in this prospectus:

(a) the annual information form of AltaGas dated February 22, 2017 for the year ended December 31, 2016 (the "**AIF**");

(b) the audited consolidated financial statements of AltaGas and notes thereto as at and for the years ended December 31, 2016 and 2015 together with the auditors' report thereon, and management's discussion and analysis of results of operations and financial condition for the year ended December 31, 2016 (the "**2016 MD&A**");

(c) the unaudited consolidated financial statements of AltaGas and notes thereto as at and for the three and six months ended June 30, 2017 and 2016 (the "**2017 Q2 Financial Statements**"), and the management's discussion and analysis of results of operations and financial condition for the three and six months ended June 30, 2017 (the "**2017 Q2 MD&A**");

(d) the information circular dated March 15, 2017 relating to the annual meeting of holders of Common Shares of AltaGas held on April 26, 2017;

(e) the information circular dated March 11, 2016 relating to the annual and special meeting of holders of Common Shares of AltaGas held on April 20, 2016;

(f) the material change report dated February 2, 2017 relating to the proposed acquisition (the "**Acquisition**") by AltaGas, indirectly through Wrangler Inc. ("**Merger Sub**"), of WGL Holdings, Inc. ("**WGL**") pursuant to an agreement and plan of merger (as such agreement may be amended or amended and restated from time to time, the "**Merger Agreement**"), the issue and sale of 71,600,000 subscription receipts on a bought deal basis at an issue price of $31.00 per subscription receipt (the "**Public Offering**") and the private placement of 12,910,000 subscription receipts to OMERS at the same issue price of $31.00 per subscription receipt (the "**Concurrent Private Placement**")(the subscription receipts issued pursuant to the Public Offering and the Concurrent Private Placement being the "**WGL Subscription Receipts**");

(g) the sections entitled:

    (i) "*Non-GAAP Financial Measures*";

    (ii) "*Acquisition of WGL*";

    (iii) "*Risk Factors – Risks Related to the Acquisition*";

    (iv) "*Risk Factors – Risks Related to the Business of WGL*";

    (v) "*Glossary*"; and

    (vi) "*Financial Statements – WGL Holdings, Inc.*"

    of the short form prospectus supplement of AltaGas dated January 27, 2017 (the "**Prior Prospectus**");

(h) the unaudited condensed consolidated financial statements of WGL and Washington Gas Light Company ("**Washington Gas**") as at June 30, 2017 and for the three and nine months ended June 30, 2017 (the "**WGL Financials**"); and

(i) the unaudited *pro forma* consolidated financial statements of AltaGas for the year ended December 31, 2016 and as at and for the six months ended June 30, 2017, in each case after giving effect to the Acquisition and the related financing assumptions as described therein (the "**Acquisition Financial Statements**").

Any material change reports (except confidential material change reports), unaudited interim comparative consolidated financial statements and accompanying management's discussion and analysis, audited comparative consolidated financial statements and the auditors' report thereon, information circulars, annual information forms, business acquisition reports and prospectus supplements disclosing additional or updated information, filed by AltaGas with the provincial securities commissions or similar authorities in Canada after the date of this prospectus and before the termination of an offering, are deemed to be incorporated by reference in this prospectus.

Upon a new annual information form and related audited annual consolidated financial statements and accompanying management's discussion and analysis being filed by AltaGas with, and where required, accepted by, the applicable securities regulatory authorities during the currency of this prospectus, the previous annual information form, the previous audited annual consolidated financial statements and accompanying management's discussion and analysis and all unaudited interim consolidated financial statements and accompanying management's discussion and analysis and material change reports filed by AltaGas prior to the commencement of AltaGas' financial year in which the new annual information form is filed and all information circulars relating to an annual meeting filed prior to the beginning of the financial year in respect of which the new annual information form is filed shall be deemed no longer to be incorporated into this prospectus for purposes of future offers and sales of Securities under this prospectus. The Acquisition Financial Statements incorporated by reference herein will be deemed not to be incorporated by reference herein upon the earlier of: (i) the filing by AltaGas of its business acquisition report in connection with the Acquisition; (ii) the filing by AltaGas of financial information in respect of WGL and Washington Gas, together with required *pro forma* financial information, that supersedes the Acquisition Financial Statements or (iii) the public announcement by AltaGas that the Merger Agreement has been terminated. The portions of the Prior Prospectus incorporated by reference herein will be deemed not to be incorporated by reference herein upon the earlier of (i) the filing by AltaGas of its business acquisition report in connection with the Acquisition; or (ii) the public announcement by AltaGas that the Merger Agreement has been terminated.

Upon unaudited interim consolidated financial statements and accompanying management's discussion and analysis being filed by AltaGas with the applicable securities regulatory authorities during the currency of this prospectus, all unaudited interim consolidated financial statements and accompanying management's discussion and analysis filed prior to the new unaudited interim consolidated financial statements shall be deemed no longer to be incorporated into this prospectus for purposes of future offers and sales of Securities under this prospectus.

Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein or in any other subsequently filed document (or part thereof) which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall

not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed to constitute a part of this prospectus, except as so modified or superseded.

In addition, certain "marketing materials" (as defined in National Instrument 41-101 – ***General Prospectus Requirements*** **("NI 41-101")) may be used in connection with a distribution of Securities. Any "template version" (as defined in NI 41-101) of any marketing materials filed after the date of a prospectus supplement and before the termination of the distribution of the Securities offered pursuant to such prospectus supplement (together with this prospectus) will be deemed to be incorporated by reference in such prospectus supplement for the purposes of the distribution of Securities to which the supplement pertains.**

Updated earnings coverage ratios will be filed quarterly with applicable securities regulatory authorities either as prospectus supplements or as exhibits to AltaGas' unaudited interim consolidated financial statements and audited annual consolidated financial statements and will be deemed to be incorporated by reference in this prospectus.

A prospectus supplement containing the specific terms of any offered Securities and other information relating to the offered Securities will be delivered to prospective purchasers of such offered Securities, together with this prospectus, and will be deemed to be incorporated by reference into this prospectus for the purpose of securities legislation as of the date of such prospectus supplement and only for the purpose of the offering of such offered Securities to which the prospectus supplement pertains.

THIRD PARTY SOURCES AND INDUSTRY DATA

This prospectus, together with the documents incorporated by reference in this prospectus (including any prospectus supplement containing the specific terms of any offered Securities and other information relating to the offered Securities), contains information from publicly available third party sources as well as industry data prepared by management on the basis of its knowledge of the industry in which AltaGas operates (including management's estimates and assumptions relating to the industry based on that knowledge). Management's knowledge of the regulated utility, midstream and power industries and the energy infrastructure sector generally has been developed through its experience and participation in the industry. Management believes that its industry data is accurate and that its estimates and assumptions are reasonable, but AltaGas has not independently verified the accuracy or completeness of this data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but AltaGas has not independently verified the accuracy or completeness of included information. Although management believes it to be reliable, AltaGas has not independently verified any of the data from third-party sources referred to in this prospectus (including any prospectus supplement containing the specific terms of any offered Securities and other information relating to the offered Securities) or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon or referred to by such sources.

ALTAGAS LTD.

General

AltaGas is a corporation amalgamated under the *Canada Business Corporations Act*. AltaGas' head and registered offices are located at 1700, 355 – 4th Avenue S.W., Calgary, Alberta T2P 0J1. AltaGas' fiscal year-end is December 31.

Overview of the Business

AltaGas is a North American diversified energy infrastructure company with a focus on owning and operating assets to provide clean and affordable energy to its customers. AltaGas' long-term strategy is to grow in attractive areas and maintain a long term, balanced mix of energy infrastructure assets across its Gas, Power and Utility business segments. AltaGas' business strategy is underpinned by the growing demand for clean energy with natural gas as a key fuel source. AltaGas has three business segments:

- Gas, which transacts more than two billion cubic feet per day of natural gas and includes natural gas gathering and processing, natural gas liquids ("**NGL**") extraction and separation, transmission, storage, and natural gas and NGL marketing, as well as the Corporation's indirectly held one-third interest in Petrogas Energy Corp. ("**Petrogas**"), through which its interest in the Ferndale Terminal (as defined below) is held;

- Power, which includes generation assets located across North America with 1,688 MW of gross capacity, all from natural gas and renewable sources, and 20 MW of energy storage; and

- Utilities, serving over 575,000 customers through ownership of five regulated natural gas distribution utilities across North America and a regulated natural gas storage utility in the United States, delivering clean and affordable natural gas to homes and businesses.

Business of AltaGas

AltaGas' vision is to be a leading North American diversified energy infrastructure company. AltaGas' overall objective is to generate superior economic returns by investing in low risk, long life energy assets. AltaGas focuses on assets underpinned by contracts with strong counterparties and regulated assets, both of which provide stable utility like returns and long life cash flows. Diversification increases the stability of earnings and cash flows and reduces AltaGas' exposure to commodity market volatility. AltaGas' earnings are underpinned by three business segments, and within each segment there is further diversification: by customer and service type in the Gas segment; by fuel source, customer, and geography within the Power segment; and by regulatory jurisdiction in the Utilities segment. AltaGas also focuses on expanding its business through acquisitions and organic growth to further support dividend and capital growth. AltaGas believes that in the long term, the abundant supply of natural gas in North America and the increasing global demand for clean energy will continue to provide opportunities for sustained growth across all of its business segments. Superior service, safety, and reliability are also integral to AltaGas' customer value proposition.

AltaGas' strategy is to execute opportunities created by the renaissance of natural gas in North America and the increasing global demand for clean energy by owning and operating a diversified mix of assets in gas, power and utilities.

In the Gas segment, AltaGas' strategy is to provide a fully-integrated midstream service offering to its customers across the energy value chain. As part of this strategy, AltaGas builds and acquires gas gathering and processing infrastructure on behalf of, or from, producers wishing to redeploy capital to exploration and production activities, rather than to non-core activities such as midstream services. AltaGas seeks to move natural gas and NGL to key markets, including Asia. AltaGas is uniquely positioned to deliver higher netbacks to producers for NGL by establishing a western energy hub in northeast British Columbia, through the propane export terminal (the "**Ridley Island Propane Export Terminal**") currently under construction on a portion of land leased by Ridley Terminals Inc. from the Prince Rupert Port Authority, and through its ownership interest in Petrogas and the storage, distribution and export facility for bulk shipments of propane, butane and iso-butane located on the west coast near Ferndale, Washington (the "**Ferndale Terminal**"). AltaGas is focused on developing and operating larger gas infrastructure projects at lower cost. On January 25, 2017, AltaGas announced the Acquisition. WGL has a growing midstream business with investments in gas gathering infrastructure and regulated gas pipelines in the Marcellus/Utica gas formation located in the northeast United States with capabilities for connections to marine-based energy export opportunities via the North American Atlantic coast through the proposed Cove Point liquefied natural gas export facility in Maryland being developed by a third party, currently expected to be operational in late 2017. The combined enterprise will be uniquely positioned with key gas midstream assets in both the Marcellus/Utica and Montney gas formations, which are two of North America's most prolific gas basins. Further information on WGL's business can be found in the "*Recent Developments*" section of the AIF incorporated by reference in this prospectus and under the heading "*Acquisition of WGL*" in the Prior Prospectus incorporated by reference in this prospectus.

Natural gas supply and demand fundamentals and the demand for clean energy have consistently underpinned AltaGas' strategy. In recent years, the supply and demand fundamentals have been changing. Abundant supply of natural gas in North America, driven by new technology that has improved the economics of unconventional gas plays, has been positive news for North American energy consumers and has led to renewed interest in natural gas as an economically priced, clean-burning fuel. As a result, the use of natural gas for power generation, household, and commercial and industrial uses has increased substantially, providing significant opportunities across AltaGas' Gas, Power and Utilities segments to invest in and optimize assets.

Canada produces a surplus of gas, NGL and crude oil. The U.S. has traditionally been the sole export market for this surplus, but with the U.S. now having a surplus of these products, its demand for import of these products has decreased. As a result, netbacks have been less attractive for Canadian producers. AltaGas believes that energy market diversification is critical for the Canadian energy sector. Investing in infrastructure for export outside of North America provides an opportunity for Canadian producers to align the vast supply of NGL and natural gas reserves with the growing demand from Asia. AltaGas is uniquely positioned to provide producers with a competitive service offering across the integrated value chain, from wellhead to end markets by way of export terminals. Access to Asian markets provides market diversity to producers, especially those in the vast Montney and Duvernay basins under development in northeastern British Columbia and western Alberta. With the construction of the Ridley Island Propane Export Terminal, AltaGas will be in a position to provide multiple outlets for producers to deliver their products to the highest value markets. AltaGas is an experienced operator of liquefied petroleum gas ("**LPG**") export terminals. AltaGas has access to Asian markets through its relationship with Idemitsu Kosan Co., Ltd. which owns 51 percent of Astomos Energy Corporation ("**Astomos**"), the largest LPG importer in Japan (Mitsubishi Corporation owns the remaining 49 percent of Astomos).

The Power segment is focused on building, owning, and operating a diversified portfolio of clean energy assets that reduce AltaGas' carbon footprint and on meeting North America's demand for clean energy. There is a particular focus on increasingly cost competitive renewables and complementary critical load balancing infrastructure across North America, as significant base load nuclear and coal-fired power generation is expected to be decommissioned over the next decade. AltaGas is well positioned to take advantage of this opportunity. AltaGas' pending acquisition of WGL fits synergistically with this strategy. WGL owns a growing non-regulated contracted power marketing business, with a focus on distributed generation and energy efficiency assets throughout the United States. WGL also owns a retail gas and power business serving approximately 235,000 customers across five states in the U.S. Further information on WGL's business can be found in the "*Recent Developments*" section of the AIF incorporated by reference in this prospectus and under the heading "*Acquisition of WGL*" in the Prior Prospectus incorporated by reference in this prospectus.

There has been an increase in the demand in North America for clean sources of highly flexible power to complement the significant growth in renewable power, while also helping to fill the void as coal and nuclear power declines. AltaGas is positioned to take advantage of this opportunity. In California, the California Independent System Operator ("**CAISO**") has stated that up to 15,000 MW of fast ramping flexible capacity is required to meet the needs of the current 50 percent Renewable Portfolio Standard of California by 2030 given planned retirements of once-through cooling gas facilities, as well as the planned retirements of the Diablo Canyon and San Onofre nuclear plants. With the retirements of traditional generating assets and the increased variability of a growing renewable asset base, the demand for highly-responsive generation and energy storage assets is increasing. In northern California, AltaGas is focused on owning generation assets in locally constrained areas near load pockets as local resource adequacy needs result in more opportunities for expansion, re-contracting and energy storage. In southern California, there has been an increasing demand for non-gas resource adequacy as evidenced by the Aliso Canyon storage request for proposals, which has resulted in the successful bidding, construction and operation of the 20 MW lithium ion battery storage facility in Pomona, California (the "**Pomona Energy Storage Facility**"), located in the East Los Angeles load pocket. This site is also well suited for future development of either additional battery storage or a repowering using a more flexible and efficient gas turbine. To the east of Pomona, near the border between southern California and Arizona, AltaGas is positioned at the convergence of transmission lines with multiple options available for contractual counterparties. The 507 MW Blythe Energy Center located near Blythe, California along with potential expansion phases are in a position where generation can be delivered to customers in the CAISO, and other neighboring states such as Arizona in the Western Area Power Administration. AltaGas expects further development and expansion opportunities to arise for brownfield sites similar to the recently completed Pomona Energy Storage Facility.

In the Utilities segment, AltaGas is focused on finding innovative ways to continue to safely and reliably deliver clean and affordable natural gas to more customers. AltaGas focuses on growing rate base through adding customers, including serving power plants within service jurisdictions, and improving and upgrading existing infrastructure to meet increased residential and commercial demand. AltaGas also seeks to execute strategic utility acquisitions and dispositions when opportunities arise. Further information on the Acquisition and on Washington Gas can be found in the "*Recent Developments*" section of the AIF incorporated by reference in this prospectus and under the heading "*Acquisition of WGL*" in the Prior Prospectus incorporated by reference in this prospectus. Within the Utilities segment, growth is expected through expansion of the existing distribution systems to acquire new customers, acquisition of new franchises when it is cost effective or strategic to do so, and fuel switching as abundant natural gas provides a clean low cost energy alternative. In addition, the Utilities segment continues to invest in existing distribution systems through pipeline replacement and system betterment programs to ensure safe, reliable service for AltaGas' customers.

Integral to AltaGas' strategy is maintaining financial strength and flexibility, an investment grade credit rating, and ready access to capital markets.

Financial discipline and effective risk management are fundamental cornerstones of AltaGas' strategy. AltaGas seeks to optimize risk and reward, ensuring that returns are commensurate with the level of risk assumed. AltaGas' financing strategy is to ensure AltaGas has sufficient liquidity to meet its capital requirements and to do so at the lowest cost possible. As a growth-oriented energy infrastructure company, AltaGas creates value for its investors through minimizing its cost of capital and maximizing its return on invested capital, which ensures operating cash flows are maintained and growing. AltaGas develops and executes financing plans and strategies to ensure investment grade credit ratings, diversity in its funding sources, and ready access to capital markets.

A key element of AltaGas' stable business model is mitigating its exposure to certain market price risks as well as volume risk. In addition to its diversification strategy, AltaGas has developed risk management processes that mitigate earnings volatility from commodity price risk and volume risk. AltaGas proactively hedges foreign exchange rates and commodity price exposures when it is prudent to do so. As well, the continued management of counterparty credit risk remains an ongoing priority. AltaGas mitigates the foreign exchange exposure on its U.S. investments by incorporating U.S. dollar denominated capital, both debt and preferred shares, into its financing strategy.

AltaGas strives to employ the best available practices and technologies for integrity management systems, and maintenance and operations in order to mitigate risks to customers, the public, employees and the environment. AltaGas' number one core value is to operate in a safe and reliable manner. AltaGas has the internal capabilities and resources to safely deliver capital projects on time and on budget, in close partnership with First Nations and community stakeholders. AltaGas has significant in-house construction expertise, demonstrated by the successful completion of more than $2.0 billion in projects over the last few years, which provides a significant competitive advantage. Cost efficiency and strong operating performance are the drivers for increasing value as AltaGas continues to build out its portfolio of assets. Key initiatives continue to increase proficiency in managing costs and include changes to cost tracking systems and implementing best practice procurement strategies.

Consistent with its mandate of overseeing and directing AltaGas' strategic direction, AltaGas' Board of Directors reviews AltaGas' strategy on an annual basis. AltaGas continually assesses the macro- and micro-economic trends impacting its business and seeks opportunities to generate value for shareholders, including through acquisitions, dispositions or other strategic transactions. Opportunities pursued by AltaGas must meet strategic, operating and financial criteria.

CONSOLIDATED CAPITALIZATION

Since June 30, 2017 on a consolidated basis there have been no material changes in the share and loan capital of AltaGas. There are an aggregate of 172,287,643 Common Shares issued and outstanding as at the date hereof.

USE OF PROCEEDS

The net proceeds to be derived from the sale of Securities by AltaGas will be the issue price less any commission paid in connection therewith and expenses relating to the particular offering of Securities. Unless otherwise specified in a prospectus supplement, the net proceeds from the sale of the Securities will be used for general corporate purposes, to repay indebtedness and to fund capital expenditures. The amount of net proceeds to be used for any such purpose will be set forth in a prospectus supplement. AltaGas may invest funds which it does not immediately use, including in short-term investment grade securities.

AltaGas may, from time to time, issue securities (including Securities) other than pursuant to this prospectus.

RATINGS

The following table shows the current credit ratings on AltaGas' securities which have been rated by the Rating Agencies:

	DBRS	S&P
Medium Term Notes	BBB	BBB
Preferred Shares, Series A	Pfd-3	P-3 (High)
Preferred Shares, Series B	Pfd-3	P-3 (High)
Preferred Shares, Series C	Pfd-3	P-3 (High)
Preferred Shares, Series E	Pfd-3	P-3 (High)
Preferred Shares, Series G	Pfd-3	P-3 (High)
Preferred Shares, Series I	Pfd-3	P-3 (High)
Preferred Shares, Series K	Pfd-3	P-3 (High)

On December 16, 2015, S&P revised AltaGas' issuer rating and senior unsecured MTN rating to BBB with a Negative Outlook. On January 16, 2017, S&P reaffirmed the BBB with a Negative Outlook. On November 19, 2016, DBRS affirmed the BBB rating with a stable trend for AltaGas. On January 26, 2017, DBRS revised the rating to BBB Under Review with Developing Implications. On August 10, 2010, S&P and DBRS commenced rating of AltaGas' Preferred Shares with an S&P rating of P-3 (High) and DBRS rating of Pfd-3. AltaGas' Preferred Shares continue to have an S&P rating of P-3 (High) and DBRS rating of Pfd-3. On January 26, 2017, DBRS revised its outlook to Under Review with Developing Implications.

AltaGas has paid each of DBRS and S&P their customary fees in connection with the provision of the ratings described above and elsewhere in this prospectus. Over the past two years, in addition to the aforementioned fees, AltaGas has made payments in respect of certain other services provided to AltaGas by S&P. Over the past two years, no additional payments were made by AltaGas to DBRS.

Debt Securities

A S&P issue credit rating is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (including ratings on medium term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The opinion reflects S&P's view of the obligor's capacity and willingness to meet its financial commitments as they come due, and may assess terms, such as collateral security and subordination, which could affect ultimate payment in the event of default. Issue credit ratings can be either long term or short term. Medium-term notes are assigned long-term ratings.

S&P has assigned a long term issue credit rating of BBB with a negative outlook to AltaGas' outstanding medium term notes. S&P's long term issue credit ratings range from a high of AAA to a low of D. According to the S&P long term issue credit rating system, an obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. A rating of BBB is the fourth-highest category granted by S&P. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

DBRS long term debt ratings are meant to give an indication of the risk that a borrower will fail to satisfy its financial obligations in accordance with the terms under which such obligations have been issued. Every DBRS rating is based on qualitative and quantitative considerations relevant to the borrowing entity. DBRS has assigned a rating of BBB Under Review with Developing Implications to AltaGas' outstanding medium term notes. DBRS' ratings for long term debt range from a high of AAA to a low of D. According to the DBRS rating system, long-term debt rated BBB is of adequate credit quality. The capacity for the payment of financial obligations is considered acceptable, but may be vulnerable to future events. A rating of BBB is the fourth-highest category granted by DBRS. "High" or "low" grades are used to indicate the relative standing within a particular rating category.

The credit ratings assigned to AltaGas' medium term notes are not recommendations to purchase, sell or hold securities inasmuch as such ratings do not comment as to market price or suitability for a particular investor, and are subject to revision or withdrawal by S&P or DBRS, as the case may be, at any time. There can be no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a Rating Agency in the future if in its judgment, circumstances so warrant. If any such rating is so revised or withdrawn, AltaGas will not be under any obligation to update this prospectus.

Preferred Shares

AltaGas' outstanding Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I and Preferred Shares, Series K have each been rated Pfd-3 (Under Review – Developing) by DBRS and P-3 (High) by S&P under its Canadian preferred share rating scale and BB+ under its global preferred rating scale (DBRS and S&P are each a "**Rating Agency**"). Ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. The Rating Agencies' ratings for preferred shares range from a high of Pfd-1 to a low of D for DBRS and from a high of P-1 to a low of D for S&P.

A Pfd-3 rating by DBRS is the third highest of six categories granted by DBRS. According to the DBRS rating system, securities rated Pfd-3 are of adequate credit quality. While protection of dividends and principal is still considered acceptable, the issuing entity is more susceptible to adverse changes in financial and economic conditions, and there may be other adverse conditions present which detract from debt protection. "High" or "low" grades are used to indicate the relative standing within a rating category. The absence of either a "high" or "low" designation indicates the rating is in the middle of the category.

A P-3 rating by S&P is the third highest of eight categories granted by S&P under its Canadian preferred share rating scale and a P-3 (High) rating directly corresponds with a BB+ rating under its global preferred rating scale. The Canadian preferred share rating scale is fully determined by the global preferred rating scale and there are no additional analytical criteria associated with the determination of ratings on the Canadian preferred share rating scale. According to the S&P rating system, while securities rated P-3 are regarded as having significant speculative characteristics, they are less vulnerable to non-payment in the near term than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. The ratings from P-1 to P-5 may be modified by "high" and "low" grades which indicate relative standing within the major rating categories.

The ratings accorded to AltaGas' Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I and Preferred Shares, Series K by the Rating Agencies are not recommendations to purchase, hold or sell such shares inasmuch as such ratings do not comment as to market price or suitability for a particular investor, and are subject to revision or withdrawal by S&P or DBRS, as the case may be, at any time. There can be no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a Rating Agency in the future if, in its judgment, circumstances so warrant. The lowering of any rating in respect of the Preferred Shares may negatively affect the quoted market price, if any, of such shares. If any such rating is so revised or withdrawn, AltaGas will not be under any obligation to update this prospectus.

EARNINGS COVERAGE

Earnings coverage ratios will be provided as required in the applicable prospectus supplement(s) with respect to any offering and sale of Preferred Shares or Debt Securities pursuant to this prospectus.

DESCRIPTION OF SECURITIES

The following description sets forth certain general terms and provisions of the Securities. AltaGas may issue Securities either separately or together with or upon the conversion of or in exchange for other securities. The particular terms and provisions of each series of Securities AltaGas may offer will be described in greater details in the related prospectus supplement and which may provide information that is different from this prospectus. AltaGas reserves the right to include in a prospectus supplement specific variable terms pertaining to the Securities that are not within the descriptions set forth in this prospectus.

The authorized capital of AltaGas consists of an unlimited number of Common Shares and such number of Preferred Shares issuable in series at any time as have aggregate voting rights either directly or on conversion or exchange that in the aggregate represent less than 50% of the voting rights attaching to the then issued and outstanding Common Shares. The summary below of the rights, privileges, restrictions and conditions attaching to the Common Shares and the Preferred Shares is subject to, and qualified by reference to, AltaGas' articles and by-laws.

Common Shares

The specific terms of any offerings of Common Shares including the number of Common Shares being offered and the offering price, will be described in one or more prospectus supplements.

Holders of Common Shares are entitled to one vote per share at meetings of shareholders of AltaGas, to receive dividends if, as and when declared by the board of directors of AltaGas and to receive the remaining property and assets of AltaGas upon its dissolution or winding-up, subject to the rights of shares having priority over Common Shares.

Preferred Shares

The specific terms of any offerings of Preferred Shares including the designation of the particular series, the number of Preferred Shares offered, the offering price, any voting rights, the dividend rate, the dividend payment dates, and terms for redemption at the option of AltaGas or the holder, any exchange or conversion terms and any other specific terms will be described in one or more prospectus supplements.

The directors of AltaGas may divide any unissued Preferred Shares into series and fix the number of shares in each series and the designation, rights, privileges, restrictions and conditions thereof. The Preferred Shares of each series will rank on a parity with Preferred Shares of every other series with respect to accumulated dividends and return of capital and are entitled to a preference over the Common Shares and over any other shares of AltaGas ranking junior to the Preferred Shares with respect to the priority in the payment of dividends and in the distribution of assets in the event of liquidation, dissolution or winding-up of AltaGas, whether voluntary or involuntary.

The rights, privileges, restrictions and conditions attaching to the Preferred Shares as a class may be repealed, altered, modified, amended or amplified or otherwise varied only with the sanction of the holders of the Preferred Shares given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by resolution in writing executed by all holders of Preferred Shares entitled to vote on that resolution or passed by the affirmative vote of at least 66⅔% of the votes cast at a meeting of holders of Preferred Shares duly called for such purpose.

Subscription Receipts

The following description of the terms of Subscription Receipts sets forth certain general terms and provisions of Subscription Receipts in respect of which a prospectus supplement may be filed. The particular terms and provisions of Subscription Receipts offered by any prospectus supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the prospectus supplement filed in respect of such Subscription Receipts.

Subscription Receipts may be offered separately or in combination with one or more other Securities. The Subscription Receipts will be issued under a subscription receipt agreement. A copy of the subscription receipt agreement will be filed by us with the applicable securities commission or similar regulatory authorities after it has been entered into by us and will be available electronically at www.sedar.com.

Pursuant to the subscription receipt agreement, original purchasers of Subscription Receipts will have a contractual right of rescission against AltaGas, following the issuance of the underlying Common Shares or other securities to such purchasers upon the surrender or deemed surrender of the Subscription Receipts, to receive the amount paid for the Subscription Receipts in the event that this prospectus and any amendment thereto contains a misrepresentation or is not delivered to such purchaser, provided such remedy for rescission is exercised within 180 days from the closing date of the offering of Subscription Receipts.

The description of general terms and provisions of Subscription Receipts described in any prospectus supplement will include, where applicable:

- the number of Subscription Receipts offered;
- the price at which the Subscription Receipts will be offered;
- if other than Canadian dollars, the currency or currency unit in which the Subscription Receipts are denominated;
- the procedures for the exchange of the Subscription Receipts into Common Shares or other securities;
- the number of Common Shares or other securities that may be obtained upon exercise of each Subscription Receipt;
- the designation and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;

- the terms applicable to the gross proceeds from the sale of the Subscription Receipts plus any interest earned thereon;
- the material tax consequences of owning the Subscription Receipts; and
- any other material terms, conditions and rights (or limitations on such rights) of the Subscription Receipts.

We reserve the right to set forth in a prospectus supplement specific terms of the Subscription Receipts that are not within the options and parameters set forth in this prospectus. In addition, to the extent that any particular terms of the Subscription Receipts described in a prospectus supplement differ from any of the terms described in this prospectus, the description of such terms set forth in this prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such prospectus supplement with respect to such Subscription Receipts.

Debt Securities

The following sets forth certain general terms and provisions of the Debt Securities. The particular terms and provisions of Debt Securities offered by any prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the prospectus supplement filed in respect of such Debt Securities.

The Corporation reserves the right to include in a prospectus supplement specific terms pertaining to Debt Securities that are not within the descriptions set forth in this prospectus, provided that the Debt Securities will not be specified derivatives or asset-backed securities. Prospective investors should rely on information in the applicable prospectus supplement and the Trust Indenture (as defined below) if it is different from the following information.

The Debt Securities will be issued under one or more indentures or supplements thereto (as applicable, the "**Trust Indenture**") between the Corporation and a trustee (a "**Note Trustee**"). The statements made hereunder relating to the Trust Indenture and the Debt Securities to be issued thereunder are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the Trust Indenture.

General

The aggregate principal amount of Debt Securities to be authorized under the Trust Indenture may be unlimited and Debt Securities may be issued from time to time in one or more series thereunder.

Certain terms of each issue of Debt Securities, as well as any modifications of or additions to the general terms of the Debt Securities as described herein that may be applicable to a particular issue of Debt Securities, will be described in the prospectus supplement relating to the offering of such Debt Securities.

Reference is made to the prospectus supplement for the following applicable terms of, and information relating to, the Debt Securities being offered thereby:

(a) the specific designation, aggregate principal amount, authorized denominations and maturity dates of the Debt Securities;

(b) the rate or rates of interest, which may be a fixed rate or floating rate, and the amounts payable in respect of principal and premium, if any, on the Debt Securities;

(c) covenants relating to the payment of principal and interest on the Debt Securities and other covenants applicable to such Debt Securities to which AltaGas will be bound;

(d) the date or dates from which interest shall accrue, the dates on which interest shall be payable and the record dates for the interest payable on any interest payment date;

(e) the place or places where the principal of and premium, if any, and interest on the Debt Securities will be payable;

(f) the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Debt Securities may be redeemed, in whole or in part, at the option of AltaGas;

(g) the obligation, if any, of AltaGas to redeem, purchase or repay the Debt Securities pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof; and the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Debt Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligation or option;

(h) provisions relating to the conversion of the Debt Securities for Common Shares or other securities of AltaGas or its subsidiaries;

(i) the currency or currencies (which may be in the Canadian dollar or in any other currency) in which the Debt Securities will be denominated and in which the principal of and premium, if any, and interest on such Debt Securities will be payable;

(j) the application, if any, of any defeasance provisions to the Debt Securities; and

(k) whether the Debt Securities may be exchanged or converted into securities of AltaGas or another issuer.

The Debt Securities may be issued as original issue discount Debt Securities (bearing no interest, or interest at a rate that at the time of issuance is below market rates) at prices below their stated principal amount.

Ranking

Unless otherwise provided in the applicable prospectus supplement, the Debt Securities of each series will rank equally and *pari passu*, including with respect to security interests (if any), with each other (regardless of their actual dates or terms of issue, but only to the extent such other Debt Securities are secured) and, unless the Debt Securities are secured or subordinated and subject to statutory preferred exceptions, with all other present and future unsecured and unsubordinated indebtedness of the Corporation. Unless otherwise provided in the applicable prospectus supplement, a series of Debt Securities may be reopened for the issuance of additional Debt Securities of such series.

Form of Debt Securities

Unless otherwise specified in the applicable prospectus supplement, the Debt Securities will be issued only in the form of fully registered global notes (the “**Global Notes**”) to be held by, or on behalf of, CDS Clearing and Depository Services Inc. (“**CDS**”), as depositary for its Participants (as defined below), and will be registered in the name of CDS or its nominee. Debt Securities represented by Global

Notes will not be issued in definitive form unless (i) AltaGas, in its sole discretion, elects to prepare and deliver definitive notes (the "**Definitive Notes**"), (ii) CDS notifies AltaGas that it is unwilling or unable to continue to be depositary in connection with a Global Note, (iii) CDS ceases to be eligible to be a depositary and AltaGas is unable to find a qualified successor, or (iv) holders of not less than 25% of the Debt Securities, following the occurrence of an event of default which is continuing under the Trust Indenture, request Debt Securities to be issued as Definitive Notes.

Beneficial interests in the Global Notes, constituting ownership of the Debt Securities, will be represented through book-entry accounts of institutions acting on behalf of owners of Debt Securities, as direct and indirect participants (the "**Participants**") of CDS. Each purchaser of a Debt Security represented by a Global Note will receive a customer confirmation of purchase from the dealer from which the Debt Security is purchased in accordance with the practices and procedures of such dealer. Such practices may vary between dealers, but generally customer confirmations are issued promptly following execution of a customer order. CDS will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in Global Notes.

Unless otherwise specified in the applicable prospectus supplement, Debt Securities will be issued in denominations of $5,000 and multiples of $1,000 above such amount.

Transfer of Debt Securities

Transfer of ownership of Debt Securities represented by Global Notes will be effected through records maintained by CDS or its nominee for such Global Notes (with respect to interests of Participants) and through the records of Participants (with respect to interests of persons other than Participants). Unless Debt Securities are issued as Definitive Notes, owners of Debt Securities who are not Participants in CDS' book-entry system, but who desire to purchase, sell or otherwise transfer ownership of Debt Securities, may do so only through Participants in CDS' book-entry system.

The ability of an owner of a Debt Security represented by a Global Note to pledge or otherwise take action with respect to such owner's Debt Security (other than through a Participant) may be limited by the unavailability of a certificate registered in such owner's name.

Payment of Principal, Premium and Interest

Payments of interest, if any, and principal of and premium, if any, on each Global Note will be made to CDS or its nominee, as the case may be, as registered holder of the Global Note. So long as CDS or its nominee is the registered holder of a Global Note, CDS or its nominee, as the case may be, will be considered to be the sole owner of the Global Note for the purpose of receiving payments of interest, if any, and principal of and premium, if any, on such Global Note and for all other purposes under such Global Note. The record date for the payment of interest will be the tenth business day prior to the applicable interest payment date.

AltaGas understands that CDS or its nominee, upon receipt of any payment of interest, if any, or principal and premium, if any, in respect of a Global Note, will credit Participants' accounts, on the date interest, if any, or principal and premium, if any, is paid, with payments in amounts proportionate to their respective interests in the principal amount of such Global Note as shown on the records of CDS or its nominee. AltaGas also understands that payments of interest, if any, or principal and premium, if any, by Participants to the owners of beneficial interests in such Global Note held through such Participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants. The responsibility and liability of AltaGas in respect of payments on Global Notes are limited solely and exclusively, while the Debt Securities are represented by a Global Note, to making payment of interest, if any, and principal and premium, if any, due on such Global Note to CDS or its nominee. AltaGas will not have any responsibility or liability for any aspect of the records relating to beneficial interests in the Global Note or for maintaining, supervising or reviewing any records relating to such beneficial interests.

If the due date for payment of interest, if any, or principal of or premium, if any, on any Debt Security is not, at the place of payment, a business day, such payment will be made on the next business day and the holder of such Debt Security will not be entitled to any further interest or other payment in respect of such delay.

Modification

The Trust Indenture will provide that supplemental indentures containing modifications and alterations thereto may be made by the Note Trustee and AltaGas in the circumstances described in the applicable prospectus supplement.

The Trust Indenture will also provide that the holders of Debt Securities or holders of Debt Securities of a particular series shall have the power to modify the rights of the holders of Debt Securities or holders of Debt Securities of a particular series, as applicable, under the Trust Indenture. For that purpose, among others, the Trust Indenture will contain provisions to render binding on holders of Debt Securities, or holders of Debt Securities of a particular series, resolutions passed by the affirmative votes of the holders of not less than 66⅔% of the aggregate principal amount of Debt Securities or of Debt Securities of a particular series who are present in person or represented by proxy at the meeting or serial meeting, as the case may be, or instruments in writing signed by holders of not less than 66⅔% of the principal amount of outstanding Debt Securities or Debt Securities of a particular series entitled to vote thereon ("**Extraordinary Resolutions**"). The quorum for meetings of holders of Debt Securities or serial meetings for holders of Debt Securities of a particular series at which such an Extraordinary Resolution will be considered shall be holders representing not less than 50% of the principal amount of outstanding Debt Securities or Debt Securities of a particular series then entitled to vote thereon. In certain circumstances, if holders representing not less than 50% of the principal amount of Debt Securities or Debt Securities of a particular series are not represented at the meeting or serial meeting, then the meeting or serial meeting shall stand adjourned and if properly reconvened in accordance with the terms of the Trust Indenture then those holders represented at the reconvened meeting or serial meeting shall constitute a proper quorum to consider, vote on and pass an Extraordinary Resolution.

PLAN OF DISTRIBUTION

AltaGas may offer and sell the Securities to or through underwriters or dealers purchasing as principals, and also may sell the Securities directly to one or more purchasers pursuant to applicable statutory exemptions or through agents. The distribution of the Securities may be effected from time to time in one or more transactions at a fixed price or prices, or at non-fixed prices. If offered on a non-fixed price basis, Securities may be offered at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers at the time of sale, including sales in transactions that are an "at-the-market distribution" as defined in National Instrument 44-102 – *Shelf Distributions*, including sales made directly on the TSX or other existing trading markets for the Securities. The prices at which Securities may be offered may vary as between purchasers and during the period of distribution of the Securities.

The prospectus supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent, as the case may be, engaged by AltaGas in connection with the offering and sale of the Securities, and will set forth the terms of the offering of such Securities, including the type of security being offered, the public offering price (or the manner of determination thereof if offered on a non-fixed price basis), the method of distribution of such Securities, the proceeds to AltaGas and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution.

If underwriters are used in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale, at market prices prevailing at the time of sale or at prices related to such prevailing market prices. The obligations of the underwriters to purchase such Securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all of the Securities offered by the prospectus supplement if any such securities are purchased.

In connection with any offering of Securities and subject to applicable laws, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions which stabilize or maintain the market price of the Securities at a level above that which might otherwise prevail in the open market; provided that no underwriter or dealer involved in an at-the-market distribution, no affiliate of such underwriter or dealer and no person or company acting jointly or in concert with such an underwriter or dealer has over-allotted, or will over-allot, securities in connection with an at-the-market distribution or effect any other transactions are intended to stabilize or maintain the market price of the Securities. Such transactions, if commenced, may be discontinued at any time. Any underwriters, dealers or agents to or through whom Securities are sold by AltaGas for public offering and sale may make a market in the Securities at any time without notice. No assurance can be given that a trading market in the Securities will develop or as to the liquidity of any trading market of the Securities.

Any offering of Securities would be a new issue of securities and, in the case of any offering of Preferred Shares, Subscription Receipts or Debt Securities, and other than the Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I, Preferred Shares, Series K and the WGL Subscription Receipts, with no established trading market. **Unless otherwise specified in the applicable prospectus supplement and other than the Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I, Preferred Shares, Series K and the WGL Subscription Receipts, there is no market through which the Preferred Shares, Subscription Receipts or Debt Securities, may be sold and purchasers may not be able to resell such securities purchased under this prospectus and any prospectus supplement. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation. See "*Risk Factors*".**

Unless otherwise specified in the applicable prospectus or pricing supplement, the Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or any state securities laws, and accordingly may not be offered or sold within the United States of America or to U.S. Persons (as such term is defined in Regulation S under the 1933 Act) except in transactions exempt from the registration requirements of the 1933 Act and applicable state securities laws.

RISK FACTORS

Investment in the Securities is subject to various risks including those risks inherent to the industry in which AltaGas operates. Before deciding whether to invest in any Securities, investors should consider carefully the risks incorporated by reference in this prospectus (including subsequently filed documents incorporated by reference) and those described in a prospectus supplement relating to a specific offering of Securities.

In addition to the below, discussions of certain risk factors affecting AltaGas in connection with its business are provided in AltaGas' disclosure documents filed with the various securities regulatory authorities which are incorporated by reference in this prospectus. In particular, see "*Risk Factors*" in the AIF and "*Risk Factors – Risks Related to the Acquisition*" and "*Risk Factors – Risks Related to the Business of WGL*" in the Prior Prospectus. Before investing, prospective purchasers of Securities should carefully consider the information contained or incorporated by reference in this prospectus.

Forward-looking information may prove inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Additional information on the risks, assumptions and uncertainties are found in this prospectus under the heading "*Note Regarding Forward Looking Statements*".

No Existing Trading Market (other than for Common Shares, Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I, Preferred Shares, Series K and the WGL Subscription Receipts)

Other than for Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I, Preferred Shares, Series K and the WGL Subscription Receipts, there is no market through which the Preferred Shares, Subscription Receipts or Debt Securities may be sold and purchasers may not be able to resell such securities purchased under this prospectus and any prospectus supplement. There can be no assurance that an active trading market will develop for the Preferred Shares, Subscription Receipts or Debt Securities after an offering or, if developed, that such market will be sustained. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation.

The public offering prices of the Securities may be determined by negotiation between AltaGas and the underwriters or dealers based on several factors and may bear no relationship to the prices at which the Securities will trade in the public market subsequent to such offering. See "*Plan of Distribution*".

LEGAL MATTERS

Unless otherwise specified in a prospectus supplement, certain legal matters relating to the Securities offered by a prospectus supplement will be passed upon, on behalf of AltaGas, by Stikeman Elliott LLP. If any underwriters, dealers or agents named in a prospectus supplement retain their own counsel to pass upon legal matters relating to the Securities, the counsel will be named in the prospectus supplement.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of AltaGas are Ernst & Young LLP, Chartered Accountants, 2200, 215 2nd Street S.W., Calgary, Alberta, T2P 1M4.

The transfer agent and registrar for the Common Shares, WGL Subscription Receipts, Preferred Shares, Series A, Preferred Shares, Series B, Preferred Shares, Series C, Preferred Shares, Series E, Preferred Shares, Series G, Preferred Shares, Series I and Preferred Shares, Series K is Computershare Trust Company of Canada at its principal offices in Toronto and Calgary.

INTERESTS OF EXPERTS

Ernst & Young LLP is independent of AltaGas in accordance with the Rules of Professional Conduct as outlined by the Institute of Chartered Professional Accountants of Alberta.

The auditors of WGL and Washington Gas are Deloitte & Touche LLP located in Mclean, Virginia. Deloitte & Touche LLP, an independent registered public accounting firm, is independent with respect to WGL and Washington Gas within the meaning of the Act and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States).

PURCHASERS' STATUTORY AND CONTRACTUAL RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment or, in the case of a non-fixed price offering, within two business days after receipt or deemed receipt of a prospectus and any amendment, irrespective of the determination at a later date of the purchase price of the securities distributed. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of convertible, exchangeable or exercisable Securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable Securities is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the Security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

Original purchasers of convertible, exchangeable or exercisable Securities will have a contractual right of rescission against AltaGas. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise of the Security or if no amount was paid upon conversion, exercise or exchange, the amount paid for the convertible, exchangeable or exercisable Security upon surrender of the underlying securities gained thereby, in the event that this prospectus (as supplemented or amended) contains a misrepresentation, provided that both the conversion, exchange or exercise occurs, and the right of rescission is exercised, within 180 days of the date of the purchase of the convertible, exchangeable or exercisable Security under this prospectus (as supplemented or amended). This contractual right of rescission will be consistent with the statutory right of rescission described under section 203 of the *Securities Act* (Alberta), and is in addition to any other right or remedy available to original purchasers under section 203 of the *Securities Act* (Alberta) or otherwise at law.

CERTIFICATE OF THE ISSUER

Dated: September 7, 2017

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada.

ALTAGAS LTD.

(signed)	*(signed)*
David M. Harris President & Chief Executive Officer	Timothy W. Watson Executive Vice President and Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(signed)	*(signed)*
David W. Cornhill Director	Robert B. Hodgins Director