

ALTAGAS CLOSES ACQUISITION OF ALBERTA MONTNEY INFRASTRUCTURE ASSETS AND DECLARES POSITIVE FID ON PIPESTONE PHASE II

Acquisition Bolsters AltaGas' Midstream Value Chain, Strengthens Commercial Profile, Delivers Long-term LPG Supply, and Provides Meaningful Long-term Growth

Calgary, Alberta (December 22, 2023)

AltaGas Ltd. ("AltaGas" or the "Company") (TSX: ALA) has closed the previously announced acquisition of the Pipestone Assets, including: 1) the Pipestone Natural Gas Processing Plant Phase I and Phase II expansion project (individually, "Pipestone Phase I" and "Pipestone Phase II"); 2) the adjacent Dimsdale Natural Gas Storage Facility; 3) the Pipestone condensate truck-in/truck-out terminal; and 4) the associated gathering pipeline systems (collectively, the "Pipestone Assets") from Tidewater Midstream and Infrastructure Ltd. ("Tidewater"). Following the completion of key de-risking milestones, AltaGas has also declared a positive final investment decision ("FID") on the Pipestone Phase II expansion project.

PIPESTONE PHASE II FULLY CONTRACTED; CONSTRUCTION TO BEGIN IN 2024

The Pipestone Phase II expansion project is now 100 percent contracted under long-term take-or-pay agreements with a combination of marquee independent and investment grade producers. All Pipestone Phase II customers who are existing Pipestone Phase I customers have also agreed to multi-year contract extensions, further improving the long-term commercial profile of the Pipestone Assets.

With inclusion of these new agreements, the Pipestone acquisition is strongly risk accretive to AltaGas with the Company's take-or-pay and fee-for-service Midstream EBITDA mix set to increase by an estimated six percent with a commensurate decrease in commodity exposed EBITDA, once Pipestone Phase II comes online. In aggregate, more than 90 percent of the Pipestone Assets' normalized EBITDA¹ is expected to come from take-or-pay or fee-for-service based contracts.

Given recent engineering and procurement de-risking steps taken, AltaGas is excited to move forward with sanctioning Pipestone Phase II. The expansion project will be constructed on a fixed price turnkey basis for the majority of the capital costs and will deliver critical gas processing and liquids handling capacity in the Pipestone region, which is one of the fastest growing liquids-rich natural gas developments in Canada.

TRANSACTION STRENGTHENS ALTAGAS' FOOTPRINT IN LIQUIDS-RICH ALBERTA MONTNEY

The Pipestone Assets strengthen AltaGas' midstream value chain through an expanded footprint in the Alberta Montney and provide meaningful long-term Liquefied Petroleum Gas ("LPG") supply for the Company's global exports platform. The transaction is expected to be five percent EPS accretive and 0.1x net debt to normalized EBITDA¹ accretive, once Pipestone II comes online.

1. Non-GAAP measure; see discussion in advisories of this news release and reconciliation to U.S. GAAP financial measures in AltaGas' management's discussion and analysis (MD&A) as at and for the period ended September 30, 2023, which is available on SEDAR+ at www.sedarplus.com.

“Closing this transaction and reaching a positive FID on Pipestone Phase II significantly strengthens our position in one of Canada’s most prolific resource plays” said Vern Yu, AltaGas’ President and CEO. “This acquisition is consistent with our long-term strategy through adding long-life infrastructure assets with highly contracted take-or-pay and fee-for-service revenue. The transaction also diversifies our customer base, brings meaningful long-term LPG supply to our global exports platform, and provides long-term growth through the Pipestone Phase II expansion and has the potential for additional expansion phases.”

AltaGas welcomes its new customers, employees, contractors, and other stakeholders as part of this acquisition and looks forward to working together. The Company is excited to continue to support the robust growth in the Alberta Montney with key gas processing, liquids handling, and gas storage assets, all with global LPG connectivity that will facilitate the best outcomes for the Canadian energy industry.

ABOUT ALTAGAS

AltaGas is a leading North American infrastructure company that connects customers and markets to affordable and reliable sources of energy. The Company operates a diversified, lower-risk, high-growth Utilities and Midstream business that is focused on delivering resilient and durable value for its stakeholders. The company’s mission is to improve quality of life by safely and reliably connecting customers to affordable sources of energy for today and tomorrow.

From wellhead to tidewater, AltaGas’ Midstream business is focused on providing its customers with safe and reliable service and connectivity that facilitates the best outcomes for their businesses. This includes global market access for North American LPGs, which provides North American producers and aggregators with the best netbacks for LPGs while delivering diversity of supply and stronger energy security to its downstream customers in Asia.

Throughout AltaGas’ operations, the company is playing a vital role within the larger energy ecosystem that keeps the global economy moving forward and is powering the possible within our society, and in a safe, reliable, and affordable manner.

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FORWARD-LOOKING INFORMATION

This news release contains forward-looking information (forward-looking statements). Words such as "may", "can", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "aim", "seek", "propose", "contemplate", "estimate", "focus", "strive", "forecast", "expect", "project", "target", "potential", "objective", "continue", "outlook", "vision", "opportunity" and similar expressions suggesting future events or future performance, as they relate to the Corporation or any affiliate of the Corporation, are intended to identify forward-looking statements. Specifically, such forward-looking statements included in this document include, but are not limited to, statements with respect to the following: the expectation that the Pipestone Assets will strengthen AltaGas' commercial profile and midstream value chain, provide long-term LPG supply for global exports and provide long-term growth for the Company; advancement of AltaGas' global export strategy; expectations regarding the Company's take-or-pay and fee-for-service Midstream EBITDA mix increasing by an estimated six percent and a decrease in commodity exposed EBITDA once Pipestone Phase II comes online; expectations regarding the Pipestone Assets' normalized EBITDA and the percentage of normalized EBITDA attributable to take-or-pay and fee-for-service based contracts; AltaGas' intention to move forward with sanctioning Pipestone Phase II; the expectation that the Pipestone Phase II expansion project will be constructed on a fixed price turnkey basis; the expectation that Pipestone Phase II will deliver critical gas processing and liquids handling capacity; the strategic rationale and anticipated benefits to the Company of the transaction; expected accretive effect and the transaction supporting AltaGas' long-term strategy; expected diversification of AltaGas' customer base and long-term growth opportunities through the Pipestone Phase II expansion and potential additional expansion phases; expected de-risk of long-term global exports supply and diversification of AltaGas customer base; and the Company's intention to continue supporting growth in the Alberta Montney and facilitating desirable outcomes for the Canadian energy industry.

The forward-looking statements in this news release involve known and unknown risks, uncertainties and other factors that may cause actual results, events and achievements to differ materially from those expressed or implied by such statements. Such statements reflect AltaGas' current expectations, estimates, and projections and are based on certain material factors and assumptions that AltaGas has made in respect thereof at the time the statement was made. Such assumptions include, among other things: AltaGas' ability to successfully integrate the purchased assets into its existing operations on the anticipated timeline; commodity prices; production rates; anticipated Pipestone handling capacity; interest rates and foreign exchange rates including the U.S./Canadian dollar exchange rate; royalty regimes and future royalty rates; future capital expenditure levels and general and administrative costs; future transportation costs; ability to obtain equipment and services in a timely manner to carry out development activities; current and future industry conditions; construction costs related to Pipestone Phase II; effect of the transaction on the business and operations of the Company; effective tax rates; financing initiatives; the performance of the businesses; future performance of the purchased assets; frac spread; access to capital; timing and receipt of regulatory, stock exchange and other required approvals; planned and unplanned facility outages; weather; acquisition and divestiture activities; operational expenses and returns on investments; future operating costs; effect of the transaction on run-time efficiencies; the implementation of additional processing capacity and liquids handling infrastructure; potential future asset transactions; expected processing and liquids handling growth and the effect on global exports; the impact of Pipestone Phase II on operating costs, run-time efficiencies and customer outcomes; and that AltaGas will have sufficient cash flow, debt or equity sources or other financial resources.

The forward-looking statements contained herein involve known and unknown risks, uncertainties and other factors that may cause actual results, events and achievements to differ materially from those expressed or implied by such statements, including, without limitation: risks related to integration of the purchased assets into AltaGas' existing operations; costs to develop and operate the purchased assets and Pipestone Phase II; risks that AltaGas may not achieve the anticipated benefits including the anticipated synergies from the transaction when anticipated or at all; failure to obtain equipment and services in a timely manner to carry out development activities; the Company's valuation of current operating assets and Pipestone Phase II, including certain metrics and construction costs are different than anticipated; that AltaGas does not have sufficient cash flow, debt or equity sources or other financial resources; risks related to conflict in Eastern Europe; health and safety risks; operating risks; natural gas supply risks; volume throughput; service interruptions; risks related to the transportation of petroleum products; market risk; inflation; general economic conditions; risks related to cyber security, information and control systems; climate-related risks; environmental regulation risks; regulatory risks; risks related to litigation; changes in law; Indigenous and treaty rights; dependence on certain partners; political uncertainty and civil unrest; decommissioning, abandonment and reclamation costs; reputation risk; weather data; capital market and liquidity risks; fluctuations in natural gas demand and prices; interest rates; internal credit risk; foreign exchange risk; debt financing, refinancing and debt service risk; counterparty and supplier risk; risks related to technical systems and processes incidents; growth strategy risk; construction and development risks; risks related to underinsured and uninsured losses; impact of competition in AltaGas' businesses; counterparty credit risk; composition risk; changes in the market value of the common shares and other securities of the Company; variability of dividends; potential sales of additional common shares and the potential for dilution; loss of key personnel; risk management costs and limitations; the risk that AltaGas may have less liquidity upon closing of the transaction than anticipated; risks related to pandemics, epidemics or disease outbreaks; and the other factors discussed under the heading "Risk Factors" in the Company's Annual Information Form for the

year ended December 31, 2022 (AIF) and set out in AltaGas' other continuous disclosure documents available through SEDAR+ at www.sedarplus.ca, which documents are not incorporated by reference herein.

Many factors could cause AltaGas' or any particular business segment's actual results, performance or achievements to vary from those described in this news release, including, without limitation, those listed above and 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 news release as intended, planned, anticipated, believed, sought, proposed, estimated, forecasted, expected, projected or targeted and such forward-looking statements included in this news release, should not be unduly relied upon. The impact of any one assumption, risk, uncertainty, or other factor on a particular forward-looking statement cannot be determined with certainty because they are interdependent, and AltaGas' future decisions and actions will depend on AltaGas management's ("Management") assessment of all information at the relevant time. Such statements speak only as of the date of this news release. AltaGas does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this news release are expressly qualified by these cautionary statements.

Information contained in this news release about prospective financial performance, financial position, or cash flows may be considered a financial outlook under applicable securities laws and is based on assumptions about future events and financial metrics, including economic conditions and proposed courses of action, royalty rates, operating costs, transportation costs, debt levels, and capital expenditures based on Management's assessment of the relevant information currently available. Readers are cautioned that such financial outlook information contained in this news release is subject to numerous assumptions, risk factors, limitations and qualifications, including those set forth in the above paragraphs. The actual results of operations and financial results of the Company and the benefits to be achieved from the transaction will vary from that set forth in this news release and such variations may be material. This information has been provided for illustration only and with respect to future periods are based on budgets and forecasts that are speculative and are subject to a variety of contingencies and may not be appropriate for other purposes. Accordingly, these estimates are not to be relied upon as indicative of future results. Except as required by applicable securities laws, the Company undertakes no obligation to update such financial outlook. The financial outlook contained in this news release was made as of the date of this news release and was provided for the purpose of providing further information about the Company's potential future business and operations and the anticipated benefits to be achieved from the transaction. Readers are cautioned that the financial outlook contained in this news release is not conclusive, is subject to change and should not be used for purposes other than for which it is disclosed herein.

Additional information relating to AltaGas, including its quarterly and annual MD&A and consolidated financial statements, AIF, and press releases are available through AltaGas' website at www.altagas.ca or through SEDAR+ at www.sedarplus.ca.

SPECIFIED FINANCIAL MEASURES

Throughout this news release and in other documents disclosed by the Corporation, AltaGas discloses certain measures to analyze financial performance, financial position, and cash flow. These non-GAAP and other financial measures do not have any standardized meaning prescribed under International Financial Reporting Standards ("IFRS") and therefore may not be comparable to similar measures presented by other entities. These non-GAAP measures provide additional information that management believes is meaningful regarding operational performance, liquidity and capacity to fund dividends, capital expenditures, and other investing activities. The specified financial measures should not be construed as alternatives or considered to be more meaningful than GAAP measures which are determined in accordance with IFRS, such as normalized EBITDA, net debt and net debt to normalized EBITDA as indicators of AltaGas' performance.

Several of the non-GAAP measures and their reconciliations to IFRS financial measures are shown in AltaGas' MD&A as at and for the period ended September 30, 2023 which can be found on AltaGas' website at www.altagas.ca or through SEDAR+ at www.sedarplus.ca.