

HORIZONS ETFs LAUNCHES LONG AND SHORT BITCOIN FUTURES ETFs

BetaPro Inverse Bitcoin ETF will be the first ETF in the world that allows investors to gain exposure to a short position in Bitcoin Futures.

TORONTO – April 14, 2021 – Horizons ETFs Management (Canada) Inc. (“**Horizons ETFs**” or the “**Manager**”) is pleased to announce the launch of the BetaPro Bitcoin ETF (“**HBIT**”) and the BetaPro Inverse Bitcoin ETF (“**BITI**”, and together, the “**ETFs**”). Shares of the ETFs will begin trading tomorrow on the Toronto Stock Exchange (“**TSX**”), under the ticker symbols HBIT (Cdn\$ Shares) and HBIT.U (US\$ Shares), and BITI (Cdn\$ Shares) and BITI.U (US\$ Shares), respectively.

As part of Horizons ETFs’ BetaPro family of funds, HBIT and BITI are part of Canada’s only suite of funds that provide leveraged, inverse-leveraged, and inverse exposure to asset classes through the use of futures contracts and derivatives.

HBIT and BITI provide long and inverse exposure, respectively, to the Horizons Bitcoin Front Month Rolling Futures Index (Excess Return) (the “**Index**”). BITI is the world’s first ETF to provide inverse exposure to bitcoin futures.

“There is a lot of interest in bitcoin in the last year, but it is an asset class that has historically been very volatile and complex for investors to get access to, especially when compared to buying ETFs. HBIT and BITI provide ETF options with daily liquidity that allows investors to take either a long or short position on the asset class,” said Steve Hawkins, President and CEO of Horizons ETFs. *“Buying HBIT and BITI is as easy as buying any stock or other ETF through a broker, and doesn’t require investors to open up separate cryptocurrency accounts. Additionally, BITI will offer a way for investors to achieve ‘short’ exposure to bitcoin without having to use a margin account or shorting futures directly.”*

HBIT is designed to provide investment results, before fees, expenses, distributions, brokerage commissions, and other transaction costs, that endeavour to correspond to the performance of the Index that replicates the returns generated over time through exposure to long notional investments in bitcoin futures.

BITI is designed to provide daily investment results, before fees, expenses, distributions, brokerage commissions and other transaction costs, that endeavour to correspond to **up to** one times (100%) the inverse (opposite) of the daily performance of the Index that replicates the returns generated over time through exposure to long notional investments in bitcoin futures. It is important to note that BITI does not seek to achieve its stated investment objective over a period of time greater than one day.

Subject to negotiations with the counterparties, the Manager anticipates under normal market conditions to manage the negative exposure of BITI to be as close to one-times (100%) as practicable, however the Manager can, at its sole discretion, change the negative exposure based on the current market conditions and other factors considered relevant. The negative exposure



employed by BITI will be posted on the Manager’s website at www.HorizonsETFs.com, and any changes to the negative exposure would be disclosed by way of public announcement.

At its launch on April 15, 2021, the opening negative exposure of BITI is one times (100%) the inverse (opposite) of the daily performance of the Index.

ETF Name	Ticker	Management Fee*
BetaPro Bitcoin ETF	HBIT	1.00%
BetaPro Inverse Bitcoin ETF	BITI	1.45%

*Plus applicable sales taxes.

“We know that there are polarizing views on bitcoin and as a result, there are investors with a high degree of conviction on both the bullish and bearish cases for the asset class,” said Steve Hawkins, President & CEO of Horizons ETFs. *“In launching HBIT and BITI, our goal is to provide investment tools that allow investors to get liquid access to the returns of bitcoin futures with the ability to go long or short the asset class, based on their outlook and conviction.”*

The Horizons Bitcoin Front Month Rolling Futures Index is a proprietary index provided by Horizons ETFs and is designed to reflect the returns generated over time through exposure to long notional investments in bitcoin futures that are based on the CME CF Bitcoin Reference Rate (BRR), which aggregates bitcoin trading activity across major bitcoin spot trading venues between 3:00 p.m. and 4:00 p.m. (GMT). The Index is calculated by Solactive AG and is posted on their website at www.solactive.com.

The bitcoin futures are CME Bitcoin (USD) Futures contracts traded on the CME Futures Exchange, a U.S.-registered designated contract market (“**DCM**”) and derivatives clearing organization (“**DCO**”), under the ticker symbol BTC. The Index is calculated using the settlement prices of the applicable bitcoin futures as determined and published by the CME. The settlement prices are generally determined at 4:00 p.m. (EST).

“ETFs rely on institutional investors known as market makers to create and redeem shares; these market makers will typically use bitcoin futures to hedge their exposure to the cryptocurrency, regardless of whether the relevant ETF invests in digital bitcoin or not,” said Mr. Hawkins. *“This futures-based exposure of our ETFs is expected to provide an efficient market-making and hedging mechanism and a straightforward ETF subscription and redemption process.”*

The ETFs closed their initial offering of shares to their designated broker at the close of business (5pm) today, and will begin trading tomorrow on the TSX.

For further information about HBIT, please visit: www.HorizonsETFs.com/HBIT

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HORIZONS ETFs
by Mirae Asset

FOR IMMEDIATE RELEASE

About Horizons ETFs Management (Canada) Inc. (www.HorizonsETFs.com)

Horizons ETFs Management (Canada) Inc. is an innovative financial services company and offers one of the largest suites of exchange traded funds in Canada. The Horizons ETFs product family includes a broadly diversified range of solutions for investors of all experience levels to meet their investment objectives in a variety of market conditions. Horizons ETFs has approximately \$18 billion of assets under management and 91 ETFs listed on major Canadian stock exchanges.

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*Commissions, management fees and expenses all may be associated with an investment in exchange traded products managed by Horizons ETFs Management (Canada) Inc. (the "Horizons Exchange Traded Products"). The Horizons Exchange Traded Products are not guaranteed, their value changes frequently and past performance may not be repeated. Certain ETFs may have exposure to leveraged investment techniques that magnify gains and losses and which may result in greater volatility in value and could be subject to aggressive investment risk and price volatility risk. Such risks are described in the prospectus. The prospectus contains important detailed information about the ETF. **Please read the prospectus before investing.***

*The Horizons Exchange Traded Products include our BetaPro products (the "BetaPro Products"). The BetaPro Products are alternative mutual funds within the meaning of National Instrument 81-102 Investment Funds, and are permitted to use strategies generally prohibited by conventional mutual funds: the ability to invest more than 10% of their net asset value in securities of a single issuer, to employ leverage, and engage in short selling to a greater extent than is permitted in conventional mutual funds. While these strategies will only be used in accordance with the investment objectives and strategies of the BetaPro Products, during certain market conditions they may accelerate the risk that an investment in shares of a BetaPro Product decreases in value. The BetaPro Products consist of our Daily Bull and Daily Bear ETFs ("Leveraged and Inverse Leveraged ETFs"), Inverse ETFs ("Inverse ETFs") and our BetaPro S&P 500 VIX Short-Term Futures™ ETF (the "VIX ETF"). Included in the Leveraged and Inverse Leveraged ETFs and the Inverse ETFs are the BetaPro Marijuana Companies 2x Daily Bull ETF ("HMJU") and BetaPro Marijuana Companies Inverse ETF ("HMJI"), which track the North American MOC Marijuana Index (NTR) and North American MOC Marijuana Index (TR), respectively. The Leveraged and Inverse Leveraged ETFs and certain other BetaPro Products use leveraged investment techniques that can magnify gains and losses and may result in greater volatility of returns. These BetaPro Products are subject to leverage risk and may be subject to aggressive investment risk and price volatility risk, among other risks, which are described in their respective prospectuses. Each Leveraged and Inverse Leveraged ETF seeks a return, before fees and expenses, that is either **up to**, or equal to, either 200% or -200% of the performance of a specified underlying index, commodity futures index or benchmark (the "Target") for a single day. Each Inverse ETF seeks a return that is -100% of the performance of its Target. Due to the compounding of daily returns a Leveraged and Inverse Leveraged ETF's or Inverse ETF's*



returns over periods other than one day will likely differ in amount and, particularly in the case of the Leveraged and Inverse Leveraged ETFs, possibly direction from the performance of their respective Target(s) for the same period. For certain Leveraged and Inverse Leveraged ETFs that seek up to 200% or up to or -200% leveraged exposure, the Manager anticipates, under normal market conditions, managing the leverage ratio as close to two times (200%) as practicable however, the Manager may, at its sole discretion, change the leverage ratio based on its assessment of the current market conditions and negotiations with the respective ETF's counterparties at that time. Hedging costs charged to BetaPro Products reduce the value of the forward price payable to that ETF. Due to the high cost of borrowing the securities of marijuana companies in particular, the hedging costs charged to HMJI are expected to be material and are expected to materially reduce the returns of HMJI to unitholders and materially impair the ability of HMJI to meet its investment objectives. Currently, the manager expects the hedging costs to be charged to HMJI and borne by unitholders will be between 10.00% and 45.00% per annum of the aggregate notional exposure of HMJI's forward documents. The hedging costs may increase above this range. The manager publishes on its website, the updated monthly fixed hedging cost for HMJI for the upcoming month as negotiated with the counterparty to the forward documents, based on the then current market conditions. The VIX ETF, which is a 1x ETF, as described in the prospectus, is a speculative investment tool that is not a conventional investment. The VIX ETF's Target is highly volatile. As a result, the VIX ETF is not intended as a stand-alone long-term investment. Historically, the VIX ETF's Target has tended to revert to a historical mean. As a result, the performance of the VIX ETF's Target is expected to be negative over the longer term and neither the VIX ETF nor its target is expected to have positive long-term performance. BetaPro Bitcoin ETF ("HBIT"), and BetaPro Inverse Bitcoin ETF ("BITI"), which are a 1X ETF, and an **up to -1X** ETF, respectively, as described in the prospectus, are speculative investment tools that are not conventional investments. Their Target, an index which replicates exposure to rolling Bitcoin Futures and not the spot price of Bitcoin, is highly volatile. As a result, neither ETF is intended as a stand-alone investment. There are inherent risks associated with products linked to crypto-assets, including Bitcoin Futures. While Bitcoin Futures are traded on a regulated exchange and cleared by regulated central counterparties, direct or indirect exposure to the high level of risk of Bitcoin Futures will not be suitable for all types of investors. An investment in any of the BetaPro Products is not intended as a complete investment program and is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment. **Please read the full risk disclosure in the prospectus before investing. Investors should monitor their holdings in BetaPro Products and their performance at least as frequently as daily to ensure such investment(s) remain consistent with their investment strategies.**

Certain statements may constitute a forward-looking statement, including those identified by the expression "expect" and similar expressions (including grammatical variations thereof). The forward-looking statements are not historical facts but reflect the author's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking statements. These forward-looking statements are made as of the date hereof and the authors do not undertake to update any forward-looking statement that is contained herein, whether as a result of new information, future events or otherwise unless required by applicable law.