A Gold Bullion ETF Built for Tax-Efficiency

The Horizons Gold Yield ETF ("HGY") seeks to provide investors with exposure to the price of gold bullion, hedged to the Canadian dollar, while providing monthly, tax-efficient distributions.

Gold bullion remains an attractive store of value in periods of economic uncertainty. However, currency movement, threats of deflation or inflation may cause the price of gold to exhibit significant price volatility. To hedge against these risks, covered call options are written on one third of HGY’s gold-exposed securities. Covered calls can be an effective way to retain exposure on a significant portion of the upside of gold’s potential growth, while also lowering the overall volatility of the portfolio, and generating monthly income.

Please note that as per the Investment objective, the level of covered call writing may vary. This means that while the ETF will generally write on 100% of the portfolio securities, the options coverage can be significantly less than 100%, based on the level of options coverage, which is at the discretion of the portfolio management team.

Key Features:

- Highly correlated performance to physical gold (as represented by the SPDR® Gold Shares)
- Retains two-thirds of the potential upside performance of securities that provide exposure to gold bullion
- Exposure to a conservative covered call option writing strategy that can lower the volatility of returns
- Higher volatility in gold prices can likely increase call option premiums (revenue)
- Attractive, tax-efficient distributions
- Option writing caps the upside potential of each security written on

Gold Remains a Store of Value

- Protects your portfolio in times of economic and financial uncertainty
- Low correlation to other major asset classes
- Considered a hedge against inflation or deflation

Benefits of Investing in Gold Bullion vs. Gold Equities

- **Direct access to the asset class.** Investing in HGY makes gold bullion accessible, rather than having to invest in a specific gold stock or index, where returns could be impacted by other market factors other than the price of gold
- **Lowers market risk.** When investing in typical gold-producer stocks, an investor is exposed to risks other than those directly related to the price of gold, such as management or volatile market conditions. HGY gives investors direct exposure to gold bullion and reduces the market risk
- **Reduced volatility with covered calls.** Since its inception, HGY’s covered call writing strategy has often exhibited lower volatility than direct investments in gold bullion. A covered call strategy can capitalize on periods of volatility to potentially generate additional call premium
Commissions, management fees and expenses all may be associated with an investment in Horizons Gold Yield ETF (the “ETF”) managed by Horizons ETFs Management (Canada) Inc. The ETF is not guaranteed, its values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the ETF. Please read the prospectus before investing.

To learn more, please visit www.HorizonsETFs.com/HGY