



Galaxy Digital Expands Global Crypto Trading Business with Acquisitions of DrawBridge Lending and Blue Fire Capital

Transactions expand Galaxy Digital's market reach and further strengthen the firm's trading solutions portfolio, relationships with global exchanges, and lending & derivatives expertise

NEW YORK, NEW YORK, and CHICAGO, ILLINOIS, November 13, 2020 – Galaxy Digital Holdings Ltd. (TSX: GLXY) (“Galaxy Digital” or the “Company”) today announced that it has acquired two leading cryptocurrency trading firms: DrawBridge Lending (“DrawBridge”), an innovator in digital asset lending, borrowing, and structured products, and Blue Fire Capital (“Blue Fire”), a proprietary trading firm specializing in market-making and two-sided liquidity for digital assets.

DrawBridge and Blue Fire are both pioneers in applying their teams' institutional expertise in traditional lending, structured products, futures, and market-making to the rapidly growing cryptocurrency derivatives and lending space.

“Galaxy Digital’s mission is to bring cryptocurrency to traditional finance and vice versa. DrawBridge and Blue Fire’s market-leading capabilities will enable us to further amplify our strong position as a go-to trading desk in digital assets and more rapidly grow our innovative portfolio of trading products and services,” said Christopher Ferraro, President of Galaxy Digital. “Furthermore, these acquisitions bring in two exceptional and experienced teams who will play key roles in managing and expanding our business in the years to come.”

Galaxy Digital Trading (“GDT”) operates a 24-hour global trading model and provides institutional clients and counterparties with a broad range of trading strategies. It currently trades over \$4 billion of OTC volume annually with nearly 200 active counterparties globally. 2020 has seen a broad institutional recognition of cryptocurrency use cases by investors, corporates, regulators, and governments, and as a result GDT has seen a significant increase in institutional demand for cryptocurrency-related financial products and services.

Michael Novogratz, Founder and CEO of Galaxy Digital said, “Institutional investors and corporates are becoming more knowledgeable and comfortable with digital assets and they are increasingly grasping the purpose and importance of cryptocurrency in their investment strategies. We are looking forward to seamlessly integrating DrawBridge and Blue Fire into Galaxy Digital Trading and strategically leveraging our world-class team, technology and solutions to help further meet what we believe will be an even bigger wave of institutional demand.”

“Over the past two and a half years the Galaxy Digital Trading team has been executing on a product and technology roadmap that has allowed for first-class execution, deep liquidity and an expanding set of services across spot and derivatives, including principal, agency and electronic trading,” said Peter Wisniewski, Co-Head of Galaxy Digital Trading. “These acquisitions are a continuation of this progress to date, and an important milestone as we continue to broaden our talent base and build out our differentiated capabilities, spanning fiat and digital asset lending, structured products, and prime brokerage services.”

Key Transaction Benefits:

- Combination further expands Galaxy Digital Trading's revenue-generating activities by immediately diversifying GDT beyond its current annual OTC trading volume of \$4 billion and into: expanded derivatives and futures trading; on-exchange market making; and lending, borrowing and structured products.
- Scales DrawBridge's first-mover lending and structured product offerings in crypto via Galaxy Digital's institutional market relationships and robust, publicly-audited balance sheet, while adding DrawBridge's \$150 million+ of third-party assets to Galaxy Digital.
- Builds on DrawBridge's strategic partnership with GDT which was formed in 2019. The companies have subsequently evaluated dozens of bespoke loans together and executed on a growing live loan book which will be expanded as a result of this transaction.
- Amplifies Blue Fire's best-in-class trading strategies and execution with Galaxy Digital's broad sources of liquidity, and further enhances the combined firm's superior relationships with key global crypto exchanges via Blue Fire's \$36 billion+ of annual notional derivatives trading volume. Drives utilization and optimization of Galaxy Digital's balance sheet to unlock strong risk-adjusted return opportunities, as well as provide customers and counterparties with best-in-class market access and trading capital efficiency.
- Establishes strong regional hub in Chicago for Galaxy Digital to expand agency, prime brokerage and electronic trading services, and to increase connectivity with traditional derivatives firms as they look to move into crypto markets with blue-chip partners.
- Further strengthens Galaxy Digital Trading's leadership team with veteran trading and lending market participants who possess proven track-records across traditional asset classes and the crypto markets.
- DrawBridge's CEO and Co-Founder, Jason Urban, will join Galaxy Digital as Co-Head of Galaxy Digital Trading, and will work alongside fellow Co-Head, Peter Wisniewski. Andrew Karos will join Galaxy Digital and remain CEO of Blue Fire, which will continue to operate as a wholly-owned subsidiary.
- Provides near-term capital deployment opportunities for Galaxy Digital's recent \$50 million financing from institutional investors.

About Galaxy Digital

Galaxy Digital is a diversified financial services and investment management company in the digital asset, cryptocurrency and blockchain technology sector. Galaxy Digital's team has extensive experience spanning investing, portfolio management, capital markets, venture capital, asset management, and blockchain technology. Galaxy Digital currently operates four distinct business lines, which include: Trading, Asset Management, Principal Investments and Investment Banking. Galaxy Digital's CEO and Founder is Michael Novogratz. The Company is headquartered in New York City, with offices in Chicago, San Francisco, London, Tokyo, Hong Kong, the Cayman Islands (registered office) and New Jersey. Additional information about the Company's businesses and products is available on www.galaxydigital.io.

About DrawBridge Lending

DrawBridge Lending was founded in 2018 and is a Chicago-based, CFTC-regulated Commodity Trading Advisor ("CTA") and Commodity Pool Operator ("CPO") that originates structured loans with related derivatives to provide hedged financial products to institutional investors in crypto.

About Blue Fire Capital

Blue Fire Capital, based in Chicago, was founded in 2007 and is a proprietary trading firm that specializes in crypto and providing two-sided liquidity for digital assets. Blue Fire has developed deep relationships with key crypto exchanges globally and is a leading market-maker on those trading venues.

Disclaimers

The TSX has not approved or disapproved of the information contained herein.

This press release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian and United States securities legislation including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical or current fact, included herein, are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this press release relate to, among other things, the Company's ability to realize anticipated transaction benefits and the Company's ability to achieve its business objectives. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation, the risks identified in the Company's annual information form dated April 8, 2020 and available on SEDAR at www.sedar.com. Readers should not place undue reliance on the forward-looking statements and information contained in this release. The Company does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

For additional information, please contact:

Galaxy Digital
Christopher Ferraro, President
Email: investor.relations@galaxydigital.io
Tel: 212.390.9216

Prosek (for media inquiries on behalf of Galaxy Digital)
Mike Geller, Managing Director
Email: mgeller@prosek.com
Tel: 212.279.3115; Ext 242