



FOR IMMEDIATE RELEASE

AdvisorShares Launches the AdvisorShares Cornerstone Small Cap ETF (SCAP)

Small cap offering becomes first actively managed ETF to convert the performance history from a different investment structure

BETHESDA, Md. — July 12, 2016 — AdvisorShares, a leading sponsor of actively managed exchange-traded funds (ETFs), has launched the **AdvisorShares Cornerstone Small Cap ETF (NYSE Arca: SCAP)**, which began trading on Thursday, July 7, 2016. The SCAP portfolio is sub-advised by Cornerstone Investment Partners, an Atlanta-based investment manager that specializes in U.S. equity strategies and manages \$3.1 billion in assets for its individual and institutional clients.

In pursuing SCAP's investment objective, Cornerstone seeks to provide total return through long-term capital appreciation and current income. The portfolio manager holds a view that the market often misprices fundamental improvements and reacts slowly to recognizing improving fundamentals, particularly among small cap stocks. Cornerstone considers a variety of factors for SCAP's security selection process, which includes improving expectations for fundamental performance, strong balance sheets and financial flexibility. By doing so, the portfolio manager seeks to identify opportunities that the market overlooks and invests in the most attractive small cap securities for the SCAP portfolio, which actively eliminates companies with weak or deteriorating fundamentals.

SCAP also becomes the first actively managed ETF to successfully convert a track record from an existing investment structure. Cornerstone managed SCAP's investment strategy in a separately managed account (SMA) that preceded its conversion into an actively managed ETF. Since its inception on June 30, 2012, SCAP's predecessor account has outperformed the Russell 2000® Index.

SCAP Predecessor Account Performance – Quarter End (as of 6/30/2016)

	Since Inception, Annualized (6/30/2012)	One-Year	Year-To-Date
NAV Return	14.53%	-2.59%	3.57%
Russell 2000® Index	11.13%	-6.73%	2.22%
Outperformance vs. Benchmark	3.41%		

SCAP Predecessor Account Performance – Calendar Year Returns

	2016 (through 6/30)	2015	2014	2013
NAV Return	3.57%	-1.17%	4.25%	48.81%
Russell 2000® Index	2.22%	-4.41%	4.89%	38.82%

Simultaneous with the commencement of the Fund's investment operations on July 7, 2016, a separate account (the "Predecessor Account"), which was managed by the same portfolio management team, converted into the Fund. The Predecessor Account began trading June 30, 2012. All performance prior to July 7, 2016 represents actual trading of the Predecessor Account and has not been restated to reflect the estimated total annual operating expenses of the Fund, which, if reflected, would lower returns. Performance after July 7, 2016 is reflective of the total annual operating expenses of the Fund. Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. For most recent month-end performance please visit <http://advisorshares.com/fund/scap>.*

The Gross Annual Operating Expense Ratio of the Fund is 1.14%. The Advisor has contractually agreed to keep net expenses from exceeding .90% of the Fund's average daily net assets for at least one year from the date of the prospectus.

"Cornerstone possesses an exemplary pedigree and track record of managing equity assets and we're pleased to bring another accomplished portfolio manager to the actively managed ETF space," said Noah Hamman, chief executive officer of AdvisorShares. "Additionally, we're proud to deliver another industry-first by successfully converting a track record from another investment structure, which now allows investors and advisors to access Cornerstone's proven ability to deliver alpha through the daily transparency, intraday liquidity and overall efficiency of an actively managed ETF structure."

"Regardless of the environment, our investment focus remains to buy high quality companies at attractive prices while exercising the patience to unlock the value," said Cameron Clement, CFA, partner at Cornerstone and co-portfolio manager of SCAP. "By focusing on such high quality names and eliminating unqualified companies from SCAP's investment process, we believe investors and advisors will discover an attractive opportunity to enhance their small cap equity exposure as a core allocation or as a complement to an index-based strategy."

For financial professionals and investors requesting more information, please visit www.advisorshares.com or call an AdvisorShares Investment Consultant at 1-877-THE-ETF1 (1-877-843-3831).

About AdvisorShares

A leading provider in the actively managed ETF marketplace, AdvisorShares offers 21 active ETFs with \$1.2 billion of assets under management (as of July 1, 2016). Visit www.advisorshares.com to register for free weekly economic commentary. For educational insight into the active ETF marketplace, visit www.alphabaskets.com, follow @AdvisorShares on [Twitter](#) and 'Like' us on [Facebook](#).

Before investing you should carefully consider the Fund’s investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by visiting the Fund’s website at www.AdvisorShares.com. Please read the prospectus carefully before you invest.

Foreside Fund Services, LLC, distributor.

There is no guarantee that the Fund will achieve its investment objective. An investment in the Fund is subject to risk, including the possible loss of principal amount invested. Investing in small capitalization companies may be riskier and more volatile than large cap companies. Security prices of small-cap companies are generally more vulnerable than those of large-cap companies to adverse business and economic developments. Other Fund risks include market risk, equity risk, large cap risk, liquidity risk and trading risk. Please see prospectus for details regarding risk.

Shares are bought and sold at market price (closing price) not net asset value (NAV) and are not individually redeemed from the Fund. Market price returns are based on the midpoint of the bid/ask spread at 4:00 pm Eastern Time (when NAV is normally determined) and do not represent the return you would receive if you traded at other times.

The Russell 2000 is an index measuring the performance approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the United States.

Alpha is a measure of performance on a risk-adjusted basis.

**The Predecessor Account was managed by the Sub-Advisor with investment policies, objectives, guidelines, and restrictions in all material respects equivalent to those of the Fund. The Predecessor Account was not registered under the Investment Company Act of 1940 (the “1940 Act”) and, therefore, was not subject to certain investment restrictions imposed by the 1940 Act. If it had been, its performance may have been adversely affected. The Predecessor Account’s financial information is included in the Fund’s Statement of Additional Information (“SAI”). Updated performance information is available on the Fund’s website at www.advisorshares.com.*

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