# Argo Investment Memo

*Argo offers secure, simple, and cost-effective financial services for investors focused on scarce assets in a digital age.*

## Executive Summary

Argo is a digital platform providing direct, sovereign ownership of physical precious metals, beginning with gold. Client assets are titled in each customer's name and held outside the banking system, yet remain fully deliverable on demand. The platform delivers 24/7 trading, reporting, and risk management while partnering with best-in-class custodians.

By pairing vaulted gold with Bitcoin, the pre-eminent "digital gold" commodity, Argo will offer the broadest menu of spot and structured "sound-money" products on the market, in a way where clients can maintain titling and exposure to the underlying asset. In a world of monetary and data abundance, scarce apolitical assets stand to compound purchasing power. While other platforms and financial products obscure in-kind delivery and titling, or fail to offer modern monitoring and trading, Argo captures that thesis in a single, regulated wrapper.

## Founding Story

Argo was co-founded by Peter Grosskopf, the former CEO of Sprott Inc., and Larisa Sprott, President of Sprott Money. Eric Sprott has remained a major backer and strategic advisor. The executive team collectively has more than 60 years of mining, financial services, and precious metals investing experience. Paxos, the company that issues the PAXG gold token, also supports the company, demonstrating its legitimacy in the development of digital assets.

Today Argo is led by Michael Petch, a multiple time successful founder in the financial technology space, working alongside the Sprott family, whose four decades of metals-market leadership include multibillion-dollar mandates and a deep relationship with the Royal Canadian Mint. That combination of technology DNA and metals pedigree positions Argo to offer modern benefits to a centuries-old asset class without sacrificing trust.

## Product and Services

Argo's web and mobile portal provides institutional-grade security, two-factor authentication, SOC-2 compliant infrastructure, third-party audits, and full insurance, while charging zero transaction fees. Storage is 0.12% per year for pooled gold and 0.45% for large allocated holdings with unique titling. Clients can toggle between pooled and allocated bars in real time and redeem physical metal at any point, paying only transparent shipping and handling.

The 18-month roadmap adds silver, Basel-III-eligible wholesale bars, and on/off-ramps to gold. A unified interface will also surface Bitcoin balances custodied via Onramp, allowing clients to move seamlessly between physical and digital hard assets.

Argo distributes primarily through B2B2C channels: private banks, RIAs, trust companies, and fintech wallets integrate via RESTful APIs and white-label portals, while high-net-worth individuals and family offices onboard directly for white-glove service.

**Current Customers**
Family offices, asset managers, and corporate treasuries use Argo to replace high-friction dealer trades and high-drag ETFs with true ownership, real-time liquidity, and integrated reporting. Minimum pooled tickets of $100k align the platform with sophisticated allocators, yet the UI is simple enough for digital-native retail clients routed through partner apps.

**Market Overview**
A structural break in the 60/40 portfolio is driving a secular bid for hard assets. With global bonds now delivering negative real yields and equities historically expensive, allocators are re-rating stores of value that are independent of central-bank policy. Gold's $22 trillion market and Bitcoin's $2 trillion float could reasonably expand to ~$50 trillion and ~$10 trillion, respectively over the next 5-10 years, as global portfolios rebalance toward portfolios with scarce assets at the cornerstone of all investment portfolios. Traditional brokers and neobanks are ill-equipped: they offer only paper proxies (ETFs, swaps) that trade limited hours and force investors into legacy settlement flows.

Argo, by contrast, already meets the modern standard, offering zero-fee execution, 24/7 liquidity, instant title transfer, and optional physical settlement, while preparing to add exposure to multi-institutional Bitcoin custody pioneered by Onramp. That blend of tangible and digital scarcity is unmatched among incumbent bullion dealers or crypto exchanges.

Onramp institutional-grade Bitcoin custody solutions make it the perfect partner for Argo to implement their Bitcoin offering. By leveraging Onramp's multi-signature vault architecture, comprehensive insurance coverage, and fully regulated custody framework, Argo can seamlessly extend its model into Bitcoin without building proprietary infrastructure or navigating complex crypto regulations alone. This partnership enables a unified account experience for clients who can view, trade, and allocate both gold and Bitcoin side by side, all while preserving the highest standards of security and compliance. Moreover, Onramp's deep expertise in onboarding institutional allocators and HNW investors to digital assets ensures a smooth expansion into Bitcoin markets, unlocking new revenue streams and solidifying the firm's reputation as a one-stop sound money provider.

Argo is therefore first in line to capture the converging demand curves of gold traditionalists upgrading their tech stack and bitcoin allocators seeking tangible diversification.

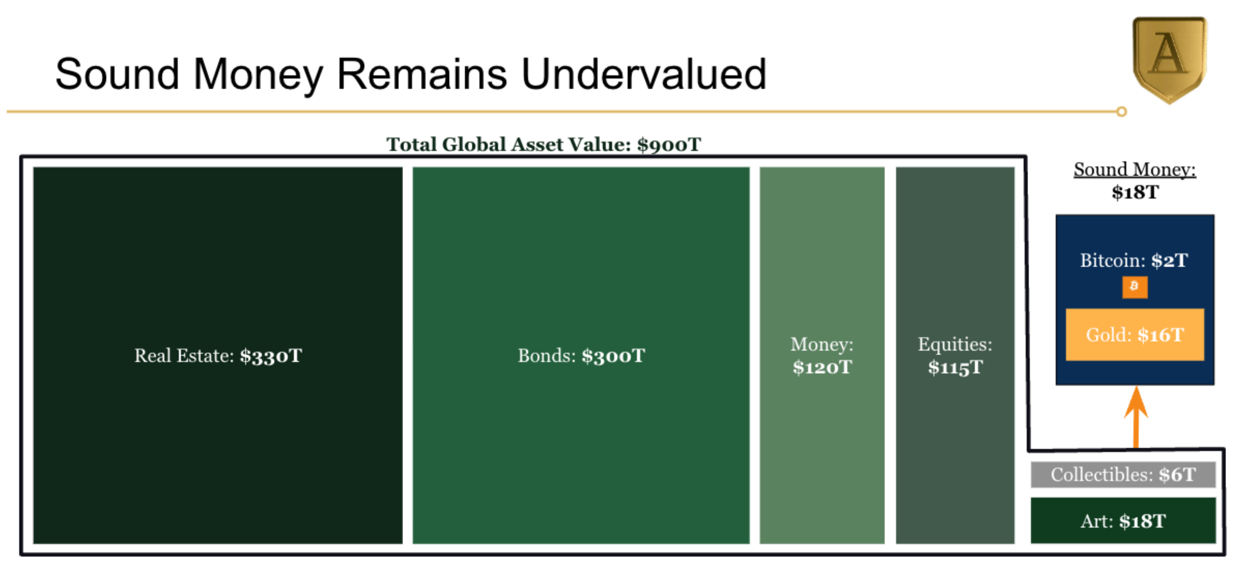
**Total Addressable Market**
The combined global market opportunity for gold and Bitcoin is enormous.

**Gold:** The investable portion, gold bullion and ETFs, is on the order of ~$5 trillion when including central-bank reserves. The World Gold Council reports that physical gold in bars, coins and funds alone is worth ~$3 trillion, with another ~$200 billion in ETF holdings. In 2024 alone, over $230 billion of gold was traded.(Gold.org) Even if one conservatively treats only bullion investments, the addressable market is multi-trillion dollars.

**Bitcoin:** Bitcoin's market capitalization is on the order of $2 trillion. However, only a fraction of Bitcoin is in institutional hands: about 70% is held by individuals, ~6% by funds/ETFs and ~6% by governments or corporates (River.com). In other words, only ~12% ( ~$245 billion) is held by institutions, implying significant room for institutional adoption. However, roughly half of all bitcoin is held by individuals, funds, and corporations which have a non-speculative allocation to the asset class, and accordingly look for the best-in-class custody.

**Combined TAM:** Summing the investable pools, the gold and Bitcoin markets together represent on the order of **$7–8 trillion today** (roughly $5 trillion in physical gold investments + $2 trillion in Bitcoin). This does not account for the expected growth of the Bitcoin market cap which some analysts predict could be over $15 trillion by 2030 (Ark-Invest.com) In sum, Argo is addressing a market made up of trillions in store-of-value assets held worldwide, which is positioned to grow as more individuals and firms diversify into gold and Bitcoin.

However, it can be argued that the total value of sound assets is completely mispriced when looking at the historical context of value and hard money. Throughout history it has been known that it is paramount to hold value in assets like gold and silver, which cannot be debased or controlled by governments. While fiat currencies as they exist today were originally backed by gold and silver, that bond has been broken, and the recent events around the increase in monetary units and politicization of payment and savings rails has caused some to re-evaluate their savings technology and which assets have risk of being compromised by external parties. Recent events and the existing structure surrounding persistent and growing deficits will cause more savers to view scarce assets as sound investments, growing the total addressable market of both gold and Bitcoin.



Sound money as a store-of-value currently accounts for just 2% of the global asset landscape

**Competition**
Argo Vault competes with both established digital-gold platforms and institutional crypto brokers. Key rivals include:

**BullionVault and OneGold:** BullionVault is a long-running UK platform offering fractional allocated gold storage in multiple vaults. It allows small purchases (down to ~0.03 oz) but charges 0.05–0.5% per trade and has a minimum 100 g redemption. BullionVault's storage fees are 0.12% on allocated gold. OneGold is a U.S. platform (by Royal Canadian Mint/APMEX) for owning direct gold. It offers fractional ownership, but takes 0.8% on purchases and 0.3% on sales. OneGold supports physical delivery of allocated bars, but still carries trading commissions. Neither offers institutional APIs or combined Bitcoin exposure. Argo offers lower fees, matches them on custody pedigree, and extends functionality to 24/7 trading and multi-asset settlement.

**Gold ETFs (GLD, GLDM, IAU, etc.)** ETFs provide inexpensive gold exposure (expense ratio ~0.10-0.40%). ETFs are attractive for their low cost and convenience, but they are "paper gold", meaning shares of a trust, and trade only during market hours at prices that can deviate from the underlying asset value. In contrast, Argo offers 24/7 trading of physical gold with real-time auditability.

**Tokenized Gold:** Tether Gold (XAUT) and Pax Gold (PAXG) wrap LBMA-grade bars into ERC-20 tokens with market caps of ~$820m and ~$900m, respectively. Token holders enjoy portability but relinquish direct title; redemption windows are limited, and trading occurs only on crypto exchanges, introducing basis and counter-party risk. Argo preserves legal title, enables next-day physical delivery, and retains optionality to tokenize the same bars once regulation stabilizes.

**Integrated Gold-Bitcoin Structures:** In May 2025 Cantor Fitzgerald launched the Gold Protected Bitcoin Fund, a five-year note delivering uncapped Bitcoin upside with one-for-one downside protection against gold prices. While the fund validates cross-asset demand, it locks capital for the full term and layers a 1.75% management fee plus performance carry on investors. Argo's open-ended accounts replicate the economic exposure fee-free, permit continuous rebalancing, and support physical redemption—advantages Cantor's closed-end vehicle cannot match.

**Business Model**
**Trading Fees on Pooled Gold Exposure:** Argo receives roughly 2% from both transaction fees and spread in their pooled trading vehicle.

**Custody & Trading Fees on Institutional Gold Exposure:** Argo benefits from 40 bps of storage fees, and 10 bps of spread on any trading fees from institutional clients.

**B2B Platform & API Fees:** Argo makes 25-45 bps on volume traded through APIs and business integrations.

**Funding Uses**
The capital will be used to fund further partnerships with neobanks, bullion dealers, and RIAs to scale distribution, put out best in-class research, and optimize the full suite of existing products.

**Traction**
Argo already had substantial traction among retail clients, and established relationships with gold miners, dealers, and custodians. Argo will use its existing momentum with both retail and institutional clients to help develop its next phase of growth as a digital platform for further financial institutions.

**Key Opportunities**
**Upgrade legacy rails.** Traditional gold dealers, miners, refiners, and even bulge-bracket brokerages were engineered for walk-in vault transfers and T+2 settlement, not for API onboarding, real-time auditability, or 24/7 liquidity. Argo's cloud-native stack converts that analog supply chain into a scalable digital on-ramp, giving both institutions and individuals instant, auditable ownership of gold and Bitcoin.

**Direct miner-to-wallet distribution.** By securing exclusive supply agreements with miners and refiners, Argo can route freshly cast LBMA-compliant bars straight into its vault network and immediately credit end-users. The result is a 30–50 bp reduction in bid/ask spreads, shorter settlement cycles, and privileged access to inventory during liquidity squeezes.

**Sound-money B2B stack with Onramp.** Integrating Onramp's multi-institution Bitcoin vault positions Argo as the only turnkey API through which wealth platforms, neobanks, and RIAs can embed both deliverable gold and Bitcoin under a single contract. That capability makes Argo the default service layer for financial institutions racing to meet client demand for hard-asset products.

**Roll-up of trusted incumbents.** Hundreds of regional bullion dealers and private mints possess decades-long client relationships yet lack the capital or expertise to modernize. Strategic acquisitions or revenue-share partnerships allow Argo to aggregate AUM rapidly, expand geographic reach, and cross-sell Bitcoin custody and structured notes to an already loyal customer base.

**Deep Sprott partnership.** Co-branded products, syndicated research, and joint events with Sprott extend Argo's credibility across Sprott's $15 billion client ecosystem while giving Sprott a digital distribution arm. Together they can set industry standards for pricing, research, and best-practice custody—cementing leadership in the emerging hard-asset fintech category.

Argo's existing digital-metal infrastructure can be extended to Bitcoin with minimal incremental development, capturing cross-sell potential among its affluent user base and capitalizing on first-mover advantage. The addition of Bitcoin trading and custody services can drive stickier relationships, unlock fees on a broader product suite, and appeal to a wider audience, while planned international multi-vault operations reduce single-jurisdiction risk. Furthermore, Argo can white-label its combined gold-Bitcoin solution, allowing banks, broker-dealers, and fintechs to embed hard-asset exposure and exponentially extend Argo's distribution footprint. API-driven institutional features—sub-account management, automated treasury reporting—will attract corporate and family-office treasuries. Leveraging the Sprott family and Onramp's Bitcoin credibility, Argo can publish co-branded research and host marquee events that reinforce platform trust and drive inbound flows.

**Key Risks**

**Regulatory uncertainty**: Changes in securities classification or custody regulations for Bitcoin could impose new compliance burdens or slow time-to-market.

**Technology integration**: Misalignment in API performance or security incidents at partner platforms could damage Argo's brand.

**Market volatility**: Gold and / or Bitcoin may underperform other financial assets, and deter interest in the asset classes.

**Custody counterparty risk**: Relying on third-party Bitcoin custodians introduces counterparty exposure, though mitigated by multi-signatory vaults and insurance.

**Competitive response**: Large incumbents (e.g., Fidelity, BlackRock) could accelerate their own integrated products, leveraging deeper pockets, and distribution channels.

**Summary**

Argo Vault has built a best-in-class digital platform for frictionless, 24/7 access to fully allocated, insured physical gold, offering zero transaction fees, ultra-competitive storage rates, and on-demand physical delivery. Backed by the Sprott family's custodial relationships and fintech veterans, Argo democratizes bullion investing for HNW individuals, family offices, RIAs, and corporate treasuries with a sleek online portal, mobile app, and white-label APIs. Its roadmap to add silver and other metals, plus tokenized gold on-ramps, underscores Argo's vision to be the technology backbone for modern precious-metals investing.

By partnering with Onramp, an institutional-grade Bitcoin custody specialist, Argo can instantly extend its model into Bitcoin without rebuilding infrastructure or navigating crypto-regulation alone. Together, they would offer a unified account to hold, trade, and convert gold and Bitcoin side-by-side under a multi-signature, insured custody framework, capturing a combined $7–8 trillion addressable market of "sound money" assets. This venture unlocks cross-sell opportunities, API-driven B2B distribution, and co-branded thought leadership, while mitigating legacy-model limitations. Although regulatory shifts, integration risks, and market volatility warrant careful management, the alliance positions Argo to lead the hard-asset fintech space and accelerate enterprise value creation.

**Argo & Early Riders**

Argo is a natural part of the Early Riders portfolio given its focus on offering simple and secure financial assets focused on sound money. Our portfolio of companies is currently working with and will grow its relationships with financial institutions around holding private key material for Bitcoin. The existing relationships across the portfolio of managing relationships across platforms and  integrations with existing financial institutions creates a perfect fit for Argo into Early Riders portfolio as a way for investors to get exposure to sound money.