

OTC Markets Group

Joining us today is Peter Wall, the CEO of Argo Blockchain that trades on our OTCQB Venture Market under the ticker, ARBKF. Based in London, Argo Blockchain is a global leader in cryptocurrency mining with one of the largest and most efficient operations powered by clean energy. The company is committed to powering blockchain technology as it continues to grow and influence our global economy. Peter, thanks so much for joining us today.

Peter Wall

Thanks Cecilia. Great to be here

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As part of the founding team at Argo, give our audience some background about your professional experience and why you created Argo Blockchain.

Peter Wall

Sure. Yeah. Happy to. So, Argo was the brainchild of some entrepreneurs on the west coast of Canada who saw kind of the exciting emerging market of cryptocurrency and cryptocurrency publicly traded companies. And they looked around the world at, at various marketplaces and saw that that London was kind of a green field, that there was a lack of publicly traded cryptocurrency vehicles in the UK. And they thought, well, let's, they had some connections over there and they thought, well, let's take this to, to one of the oldest, most prestigious stock exchanges in the world. and so they raised some money and they brought, that's when I got the call right at the very start of the project and they said to me Hey, do you wanna help build out our team and build out our facilities and build out at the time we were a mining as a service company, do you wanna help build out the, the website side of things? And I had some background in crypto because I had started a business in, in Indonesia about five years before that. And in 2013 we started accepting it was a co-working space and we started accepting cryptocurrency. We started accepting Bitcoin as payment back when, when Bitcoin was trading net at \$250 or \$200 a coin. And sadly we actually traded our Bitcoin into Indonesian RIA to pay for our expenses. We had 33 Bitcoin come through our, our wallet over the span of about a year and a half. And yeah, it was one of those, one of the very expensive mistakes. but I had, there was quite a community built around cryptocurrency and Bitcoin in, in Indonesia back then in Bali at this co-working that I started. And so, people were, were excited about it and I learned about it, and it was on my radar. I had a wallet set up way back then. So when there was an opportunity to get involved in a, in a, in a crypto project that was new and exciting and gonna be publicly traded, I jumped at it and

it was kind of off to the races from, from there. So crypto mining is, is essentially, acting as the third-party verification on the, on the network. So, traditionally when you send a wire from a, or a money transfer from a bank to another bank, the banks have this trust verification, they know each other. and that's, that that's, that's where the, the, the verification happens is that at an institutional level, the great thing about cryptocurrency and about, is that it's the blockchain that verifies these transactions. It's the blockchain. That is the is, is the mechanism for making sure that you have, I know a Bitcoin you're sending to me and I'm, I have a place to receive it. And that verification network is a decentralized network of computers spread out around the world that are competing to solve mathematical equations, connected to blocks of transactions. It sounds very esoteric, but essentially, it's a way in which a, a bunch of disinterested parties that are, you know that don't know each other can verify and compete to, to verify those transactions. And on the competitive side, when they successfully verify those transactions and they're rewarded with Bitcoin. And that's the process of Bitcoin mining. Argo has a network of computers powerful computers that are in Canada, in the United States. and we participate in that verification process, and we have currently well, we have about 16,000 today right now 16,000 machines, but we're adding more machines all the time. And at the end of Q2, we'll have about 1.7 exa hash of machines or, or 1700 PHA. And PTA hash is kind of like the horsepower, how much, capacity how much mining capacity you have to, to do the work, to do the, what they call proof of work of mining transactions. so that's, that's how it all works.

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Excellent. Tell us about the core business model and vision of Argo Blockchain and the types of coins you mine.

Peter Wall

Yeah. So, Argo, we think of ourselves as a blockchain technology company meaning we're minors, obviously that's our main source of revenue, but we also are always looking at other blockchain technology that's out there and things that are complementary to our core business model of, of mining. and just to talk quick quickly about that. I mean, essentially, I mentioned before, the process is you mind, and in, in as a reward for mining, you get Bitcoin. So that's our, so our revenue is, is, is in, comes in Bitcoin. We are also mine another coin called Z cash. So, we also get that, and then we trade those, those coins into fiat to pay some of our expenses. And we tried to hold onto as much as we can because we love Bitcoin, and we believe. The Bitcoin is the future of is the gold of the future, or, or is already starting to be the gold of today. So essentially that's our, our model is, is to, if you think about analogy and an analogy to a, a gold mine, we're

kind of like a junior gold mine in the sense that we're out there gathering a resource and trying to, to gather as much of as, as much of it as we can, as efficiently as we can. in terms of future vision for Argo we, we you mentioned, in your intro that we're interested in sustainability Bitcoin uses a lot of Bitcoin mining. You use of a lot of energy. we have facilities in Quebec, our primary facilities in Quebec are powered by hydro power which is renewable. we're, we're looking at other opportunities to be, to have renewable renewables power us, so that we could be as, as green as possible. and then we're also looking at other projects in, in, the blockchain space. Um there's lots of interesting things happening in the space and innovative technologies that are coming out, whether it's decentralized finance, which has gotten a lot of attention in 2020, and it's gonna be also really interesting in 2021 or, other types of coins, coins, and projects that are coming up. So, we really have our, our, and I can't get into a ton of details because we haven't publicly disclosed a lot of these, but we have our eye on a lot of different projects that we're hoping we can, we can share more about soon.

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How does Argo differentiate itself among the thousands of companies in the cryptocurrency ecosystem?

Peter Wall

Yeah, I think, our we've had this mantra since I took over CEO Cecilia in, in January of, of last year of January of 2020, that, that we, we follow a strategy of smart growth, meaning we look to grow only when it really makes sense as an opportunity. and I think that lots of, some of the other companies and obviously there's tons of projects in the crypto sector at large. When would you, we generally talk about who we compare ourselves with and what metrics we compared are we, we use to, to compare ourselves, we're talking about other publicly traded, minors in the space. and there's folks that are listed on the NASDAQ there's folks that are listed in Toronto. And so, when we look at those, other companies, the metrics that we compare ourselves are how much I mentioned PHE, how much PHE do we have? How much Bitcoin are we mining on a monthly basis? What kind of mining margin are we doing? and what's our market capitalization are kind of some of the key pieces that, that we look at and in pretty much all those metrics, Argo performs at a very high level. if there's six or seven publicly traded minors, we're in the top one, two or three categories for all those metrics. And then the other piece I think is I mentioned the green piece. I think that's another way that we're going to continue to differentiate ourselves is that we're, we're looking at sustainable opportunities in the space trying to use renewable power whenever we can and looking for opportunities around that.

OTC Markets Group:

As a pioneering entrepreneur in the emerging cryptocurrency marketplace, what lessons have you learned?

Peter Wall:

I think we've learned a couple lessons. I mean, I think that probably the most important is that a year in the crypto space is like 10 years in really any other space. If things move so quickly and the industry is, is changing so quickly that there's, you've gotta be looking forward and you've gotta be paying attention to, to, to what's going on in the space. I think another lesson that we've learned is to try to make sure that, when we are buying machines and when we're adding capacity to our mining fleet, that the faster we can get the gap between ordering and getting the machines up is the, the better, I think I think that's a lesson that we learned kind of the hard way that sometimes that those gaps can be too long. And I think that's, that's not ideal. it can be challenging given the, the popularity of, of, or the difficulty in getting gear and the popularity of, of being a minor right now. But I think that's, that's a lesson. And I think another lesson that we've learned is that this is a cyclical business and there are gonna be times when we are, the prettiest growth that they ants and everyone wants to play with us and talk to us and hang out. and there's gonna be times where, like, in, the crypto winter of, of late 2018, early 2019, where things turn down and feels like the sky is falling. And I think you've gotta have a bit of a strong stomach and be looking in the, in the kind of long term because, because yeah, things do things do sometimes feel like they're challenging and they, they, it never goes straight up. It never goes in one direction. whether it's when you're talking about Bitcoin or other coins or our share price, like there's, it's a volatile new technology, new industry. and you have to kind of be okay with that and develop a certain amount of comfort with that kind of vol volatility and uncertainty, and believe that in the long run, this is, the way in which the financial systems of the future are, are gonna are gonna be moving towards and developing. And that's exciting.

OTC Markets Group

Where do you see the future growth of Bitcoin technology and Argo's role in the industry in the coming years?

Peter Wall

I think Bitcoin is gonna continue to be to grow in popularity. I think it's still only; you know I still, it's still kind of a niche world. like if I talk to, my friends in family who are not, in the space and who don't really know anything about it, many of them don't have a Bitcoin wallet or a crypto wallet. Many of them are, are not

familiar with many of the, the, the types of exchanges or transactions or projects that, that all of those of us in the space, kind of assume and take for granted that everyone knows about. So, I think that there's still a lot of lot of room for the space to, to grow. I think it's still early, early days. And so I think Bitcoin will become, the reserve asset of the world. It will become truly the goal to 0.0, within a, a five to six year time span. I would say that that move, and you, you're starting to see it now, but, and I think that's gonna continue to, to, to develop over the next five to six years, and then in terms of how Argo fits in, in, on that. I mean, we're, we're a strong, smart, medium sized minor and we're making moves to position ourselves to be successful as a minor for, for the, for the near future, the medium future and the long term. And then we're also looking to, to bolt on other projects and ideas and technology. I think that we don't look at ourselves as just a pure minor. We are a blockchain technology company. There's, there's other things we're working on. And we're excited about, about the opportunities both on the mining side and on the blockchain technology side.

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Argo Blockchain began trading on the OTCQB Venture Market in January 2021. And it's also traded on the London stock exchange. How are you leveraging your investor strategy in the U.S. with OTC Markets?

Peter Wall:

Yeah, I think OTC markets has been great for Argo. We started as on the Pink market, listing in December and then upgraded to an OTCQB listing. And now we've applied to upgrade to an OTCQX listing and have gotten a lot of attention from U.S. investors. And we get emails and messages on social media all the time about our ARBKF listing and how people can invest and how it works and all of those things. And it's been exciting. Our volume's been really good. It's given us an introduction to U.S. investors that we wouldn't have had had access to otherwise. And the OTC Markets platform is super user friendly. The UI is good. We're big fans of the whole system. It's been great for us.

OTC Markets Group

It's been a pleasure talking with you, Peter.

Peter Wall

Thanks, Cecilia. Yeah, this has been fun.

OTC Markets Group:

Argo Blockchain trades under the symbol, ARBKF on our OTCQB Venture Market.

**This is an autogenerated transcript and may contain typos.*