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Fundraising in 2025: What Founders Need to Know to Raise Capital

CRYPTO FUNDRAISING ISN’T WHAT IT USED TO BE. THE RULES HAVE CHANGED. AGAIN.

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What to Expect

RAISING CAPITAL in 2025 isn't about having the right connections or chasing the narrative. It's about showing you can build, proving there's real demand, and choosing a fundraising path that fits your stage, not just following what others are doing. This guide breaks it down.

We'll go deep into the four main fundraising methods: grants, VCs, OTC deals, and launchpads. You'll see where each one fits, what tradeoffs come with them, and how to use them at the right time. If you're building in crypto and planning to raise, this guide shows you what matters, what doesn't, and how to move forward with clarity.

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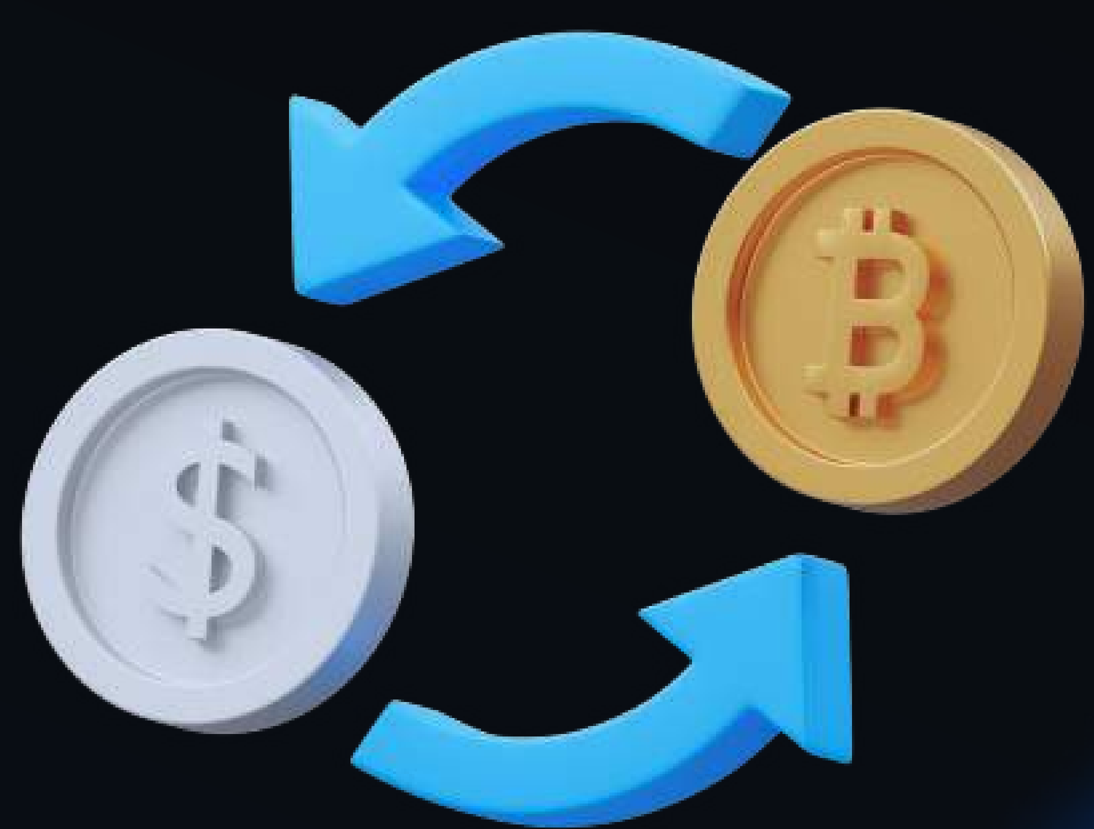
What is Fundraising in Crypto?

FUNDRAISING IN CRYPTO means raising money to build or grow a protocol, dApp, or infrastructure project. It often happens before a token is launched, before there's a working product, or after early traction. But it's not just about getting money in the door. It's about choosing the right type of funding to support your token design, community growth, treasury management, and go-to-market strategy.

Crypto offers several different ways to raise capital, each with its own pros, cons, and best timing. The main ones are:

- Grants
- VC or angel investment
- OTC token deals
- Launchpads and IDOs



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What is Fundraising in Crypto?

EACH ONE COMES WITH TRADEOFFS IN TERMS OF, dilution, control, speed, and market signaling. Some are best for early-stage teams just getting started for projects that have already built an MVP, gained traction, and started generating revenue from their product.

In this chapter, we'll break down what each method means, how it works, when it's best used, and what to watch out for. If you're planning to raise in 2025, this will help you choose the right strategy based on your stage and goals.

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What is Fundraising in Crypto?

THERE'S NO SINGLE RIGHT WAY TO FUNDRAISE.

Strong projects often use a mix of grants, VC capital, OTC deals, and launchpads at different phases. The key is understanding the purpose and trade-offs of each one.

Start with your stage. Then build the right structure for your raise. In the next chapter, we'll walk through how to prepare for a fundraise, from team and traction to token readiness and storytelling.

Grants

> GRANTS ARE NON-DILUTIVE CAPITAL, TYPICALLY PROVIDED BY LAYER-1 BLOCKCHAINS, FOUNDATIONS, OR ECOSYSTEM DAOS TO ENCOURAGE DEVELOPMENT WITHIN THEIR ECOSYSTEMS. THESE FUNDS ARE DESIGNED TO INCENTIVIZE BUILDERS WHO ARE ADVANCING SPECIFIC CHAINS OR SOLVING PROBLEMS RELEVANT TO THOSE NETWORKS.

When to Use

Grants are most appropriate in the early stages of a project, often before a product is live or monetizable. They are ideal for teams building tooling, infrastructure, or applications that expand the utility of a given ecosystem (e.g., Ethereum, Solana, Arbitrum).

Pros

The biggest advantage is that grants do not require you to give up any ownership in your project. They are non-dilutive, which means your token or equity cap table remains untouched.

Turn Investors Into Inbound Leads

NOW THAT WE'VE COVERED WHAT INVESTORS ARE LOOKING FOR, let's talk about how to shorten your raise timeline by structuring your online ecosystem to draw investors in, rather than starting cold with outreach when no one has heard of your project.

It's always easier to pitch to an investor who already knows your name. Someone who's seen your growth, recognizes your value propositions, and is curious about what you're building. That's what makes a conversation warm, and fundable.

Here's how we suggest doing tha create a system that makes your progress visible to the right people. Set the stage so that investors come to you, rather than you chasing them cold.

A strong raise is not a single event. It is a structured, multi-week funnel.

Your Investor Funnel Is Not So Different From a Sales Funnel

JUST LIKE YOU WOULD NEVER SELL YOUR PRODUCT WITHOUT NURTURING LEADS, you should never pitch your raise without first warming up investor relationships.

We recommend a simple three-stage structure:

Top-of-funnel: Build visibility. Instead of pitching cold, make sure you're visible to the investors who are actively deploying. Identify the ones aligned with your chain, vertical, and round size. Build a live tracker. Your top-of-funnel is not who you reach out to, it's who consistently sees you build. Visibility includes:

- Regular social posts on traction or progress
- Thought leadership content and narrative insights
- Product previews or data-based updates
- External validation like PR or community response
- Public documentation of usage metrics or early feedback

Your Investor Funnel Is Not So Different From a Sales Funnel

IT IS ALL ABOUT BEING CONSISTENTLY SEEN (AND CONNECTED) BY THE RIGHT PEOPLE.

Mid-funnel: Consistently show up in the places where investors already pay attention: conferences, panel talks, keynote speeches, X Spaces, webinars, PDF market breakdowns, or in-depth product explainers. Share insights that build your authority and offer real value. This is where you educate and build investor confidence, nurturing their trust in your execution

Bottom-funnel: This is where real interest turns into closed meetings. If you've done the work, the investor would reach out, or your introductions will land warm. Even cold outreach will be far more effective because they already know what you're building, why it matters, and are curious enough to take a call.

This structure prevents misfires. It ensures your pitch lands when the timing is right and the investor is already primed to listen.

Build Proof Before You Pitch

ONE OF THE BIGGEST MISTAKES TEAMS MAKE: ASKING FOR MONEY BEFORE THEY'RE READY TO JUSTIFY IT.

You should not enter pitch conversations until these three things are crystal clear:

- **Market validation:** Demonstrate real usage. For tokens, that means on-chain metrics like spread stability, consistent volume, and deep liquidity. For protocols, it means active usage, feature retention, and community participation. This is what investors are checking. Your job is to make sure these metrics stay healthy.

- **Narrative alignment:** The story you tell must match the timing of the market. You don't need to chase every trend, but you do need to anchor your project within a recognizable need. Show that you understand your space deeply, where it is now, where it's going, and how your product fits that shift.

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Grants

Receiving a grant also shows alignment with a larger ecosystem. If Solana, for example, funds your dev tool or DApp, that immediately ties your narrative to theirs, which can help to build momentum for your project. Grants also provide a credibility boost. A successful grant application demonstrates that your work has passed technical or strategic review by the ecosystem team. Even small grants can represent legitimacy and good traction.

Cons

Grants are usually limited in size. Most range between $5,000–$250,000, with larger amounts requiring milestone-based unlocks or multi-step reviews.

They're also competitive. Many ecosystem foundations receive hundreds of grant requests, and approval requires a strong proposal, often backed by technical documentation, mockups, or prototypes.
And once approved, payouts can be slow. Bureaucratic delays or milestone-based disbursements may stretch out the timeline, which means you can't rely on grants for immediate cash needs.

VC and Angel Funding

VENTURE CAPITAL AND ANGEL INVESTMENT IS THE MOST TRADITIONAL PATH, WHERE INSTITUTIONAL FIRMS OR INDIVIDUAL BACKERS PROVIDE FUNDING IN EXCHANGE FOR TOKEN ALLOCATIONS OR EQUITY.

When to Use

This is the right path when you need larger amounts of capital ($250K+) to grow the team, expand product development, or scale user acquisition. It’s especially viable for projects solving big infrastructure problems, or those with high-growth market potential.

Pros

Venture and angel investors bring more than capital. Many are deeply connected in the ecosystem and offer strategic introductions to exchanges, ecosystem funds, or downstream service providers. Ticket sizes are larger than grants, so if your needs go beyond $250K, a VC-led round can provide the capital needed to hire key team members or invest in go-to-market (GTM) campaigns.

VC and Angel Funding

Well-aligned investors also offer operational support, helping with BD hires, legal strategy, GTM planning, or tokenomic modeling. The best VCs act as partners.

Cons

VC and angel rounds require dilution. Whether you're offering equity, token supply, or both, you're giving up some level of ownership in exchange for funding.

Legal complexity increases significantly. You'll need to navigate SAFTs, token warrants, or SAFE agreements, often involving legal counsel and extended negotiation timelines.

There's also reputational risk if you structure the round poorly. Oversized discounts, poorly planned unlock schedules, or unclear governance can spook future investors or your community.

OTC Deals

> OVER-THE-COUNTER (OTC) DEALS ARE PRIVATE, STRUCTURED TOKEN TRANSACTIONS BETWEEN A PROJECT AND A STRATEGIC INVESTOR OR FUND. THESE USUALLY OCCUR ONCE YOUR TOKEN IS TRADING ON LIQUID MARKETS, ESPECIALLY WITH A PERPETUAL FUTURES LISTING, WHICH ALLOWS INVESTORS TO HEDGE THEIR POSITIONS.

When to Use

OTC deals are typically used in post-TGE stages, but are increasingly being structured just before TGE if a project has sufficient traction. This is best suited for projects with active tokens, stable secondary markets, and clear hedging mechanisms.

Pros

OTC deals provide immediate liquidity without requiring a public sale or complicated launch process. They are often executed with clear terms around vesting, cliffs, and discounts, providing predictable capital planning.

OTC Deals

These deals allow strategic investors to hedge their exposure via perps, which means pricing risk can be managed more precisely, making them more likely to participate.

OTC funding can be structured flexibly. For example, a $1M OTC deal might involve a 30% discount, a 4-month cliff, and 6-month vesting, all secured with escrow and hedged in perps markets. This lets both parties align incentives and de-risk outcomes.

Cons

You need mature market infrastructure to make this work. OTC deals rely on sufficient liquidity, deep order books, and active derivatives markets, usually on exchanges like Binance, Bybit, or Hyperliquid.

Investors will also expect detailed modeling of token emissions, unlock schedules, and treasury strategy. If you're unclear on how much liquidity support is needed post-TGE, or you haven't structured your perps exposure, you won't pass diligence.

OTC Deals

There's limited room for error. If your token price drops heavily post-OTC deal, your community may perceive it as a selloff. Managing communication, investor relations, and vesting transparency becomes critical.

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Launchpads

LAUNCHPADS ARE PLATFORMS THAT FACILITATE PUBLIC TOKEN SALES, OFTEN TARGETING RETAIL PARTICIPANTS. THESE INCLUDE PLATFORMS LIKE BINANCE LAUNCHPAD, COINLIST, DAO MAKER, AND OTHERS. THE PROJECT OFFERS TOKENS AT A SET PRICE TO A LARGE USER BASE, OFTEN WITH SPECIFIC VESTING SCHEDULES.

When to Use

Launchpads are ideal when you've already built product traction, community support, and want to broaden distribution. They work best as a final fundraising phase before or during TGE.

Pros

You gain broad token distribution, often across thousands of wallets. This can jumpstart liquidity and on-chain activity. A well-run launchpad sale builds momentum around your token and helps create price discovery.

Launchpads

Launchpads also come with built-in marketing. Platforms like Binance or CoinList actively promote the sale, increasing visibility and legitimacy.

The structure is transparent. Users know the price, vesting, and timelines upfront, which makes the process cleaner than ad-hoc OTC or private rounds.

Cons

It's not easy to qualify. Top-tier launchpads have strict vetting standards and expect your project to show months of traction, audits, and regulatory clarity.

You'll often have to give deep discounts or restrict token access for long periods, which may limit near-term capital efficiency.

And the community can turn quickly. If the token dips post-launch, you may face public backlash, even if fundamentals remain strong.

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How to get Investors' Attention: The 3-Ts

IN CRYPTO FUNDRAISING, THE LOUDEST VOICE IS NOT ALWAYS THE ONE THAT GETS FUNDED.

Foundations, accelerators, and investors are increasingly looking past surface-level announcements and market narratives and into the actual fundamentals of a project, especially in 2025's more selective funding environment.

While a compelling narrative still matters, it cannot compensate for an unqualified team or unclear execution. So what do investors actually look for?

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Team – A strong, proven founding group

The first filter most funds and foundation reviewers apply is straightforward: does this team have a verifiable track record? Teams that have shipped products, scaled active user bases, or built infrastructure, either in Web2 or Web3, demonstrate a reduced execution risk. This means investors aren't betting on the potential of a project, they're betting on the team who have a proven track record that shows that they can deliver.

Example

Lighter is a strong case. Their founding team includes experienced builders with a deep background in trading infrastructure and cryptographic systems. The product is a zk-powered, non-custodial perpetual exchange, built from day one to solve real pain points around transparency and execution.

Team – A strong, proven founding group

That depth is what attracted backers like a16z, Lightspeed, and Coatue. By September 2025, while still invite-only, Lighter was already handling over $2.8 billion in monthly trading volume and had surpassed $7 billion in cumulative perps volume. That kind of traction only happens when experienced teams execute against real market demand.

Traction – Actual progress, not just marketing

FOUNDATIONS ARE TIGHTENING REQUIREMENTS FOR BOTH GRANTS AND EQUITY/TOKEN FUNDING.

They now expect:

- **On-chain usage data, DAUs, or revenue figures**
- **Active B2B/B2C partnerships or signed LOIs**
- **A mainnet product, beta launch, or functioning prototype**

Followers, likes, or a polished pitch deck do not equate to traction. Decision-makers are looking for tangible results that prove real users exist and value is being created. Community size and on-chain engagement also signal genuine growth potential.

Importantly, most serious investors no longer pay attention to FTVs (Fair Token Valuations). The market has matured, funds understand that FTVs are fragile, easily manipulated, and often misleading. They evaluate based on actual performance and real market activity.

Traction – Actual progress, not just marketing

NARRATIVE IS NOT THE FOUNDATION, IT IS THE AMPLIFIER.

Hot sectors like DePIN, RWAs, and AI will get you more meetings, but they will not close them. In every case, the project must answer:

- **On-chain usage data, DAUs, or revenue figures**
- **Active B2B/B2C partnerships or signed LOIs**
- **A mainnet product, beta launch, or functioning prototype**

Traction: - Actual progress, not just marketing

Example

Sui followed a similar pattern. Positioned as a scalable L1 infrastructure play during the rise of modular chains, Sui raised $300 million in a Series B round led by top-tier firms like a16z Crypto, Binance Labs, and Coinbase Ventures, reaching a valuation of over $2 billion. They built with a hot narrative, but what validated the raise was a technically experienced team, a clear modular roadmap, and strong investor conviction in the infrastructure being built. The capital and backers became proof points of real execution, not just story.

(ref: https://defillama.com/chain/sui)

Timing – It still matters, but don't wait too long

FUNDING IS CYCLICAL.

Grant committees and venture teams have bigger risk appetite when market sentiment is high. But waiting indefinitely for perfect conditions can cost valuable momentum.

Early-stage projects that demonstrate core usage or clear market pull can raise in any market environment.
Strong fundamentals convince investors, regardless of cycle timing.

The idea matters least

The idea, contrary to popular belief, is the least important part of the pitch. Strong ideas are common. What's uncommon is precise execution, capital efficiency, and adaptability.
Investors know this. They've seen hundreds of brilliant decks turn into dead Discord channels

Timing – It still matters, but don't wait too long

Execution is what gets funded. A working prototype with user feedback beats an ambitious roadmap with zero usage.

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Build Proof Before You Pitch

Be specific about what you're solving, who it's for, and why now.

- **Round structure:** You must know how much you are raising, what terms you're offering, and how this capital unlocks value. Include clear modeling of token emissions, future unlocks, capital runway, and how the raise fits into long-term token health. Unstructured raises send a red flag.

If you can't defend the ask across these three areas, delay the raise and keep building traction and momentum for your project.

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Make Your Progress Too Visible To Ignore

MOST INVESTORS AREN'T SCANNING COLD DMS, AND MOST OF THEM WILL NOT EVEN OPEN THEM.

What they do follow is public traction. Show up consistently and visibly where they already look.

Instead of investing in expensive marketing campaigns, focus on sharing higher quality information about your progress:

- **Highlight product utility and new feature launches**
- **Share usage metrics that reflect real demand (on-chain activity, protocol interactions, number of active wallets)**
- **Announce new integrations, listings, partnerships, or security audits**

Make Your Progress Too Visible To Ignore

Funders want to back momentum, and you need to make that momentum undeniable. Not through campaign pushes, but through consistent, transparent updates that show you're building and growing.

Use LinkedIn, X, and email updates to stay top of mind. Momentum compounds when others start talking about your progress, not just you.

Closing Remarks

In 2025, fundraising in crypto is no longer a single pitch meeting or a viral campaign. It's a series of decisions, signals, and systems you build over time.

You now understand the full spectrum: which fundraising method fits each stage, what investors are actually looking for, and how to structure your visibility to attract them. What separates teams that raise from those that don't isn't just the idea, it's how prepared they are to prove it.

Capital follows clarity. Build a product that solves a real problem. Make your traction and roadmap visible. Structure your raise with precision. And most importantly, act early—warm the market before you need it.

If you get that right, fundraising becomes less about chasing and more about choosing.

We don’t create **hype.**

We don’t manufacture **demand.**

We build the **liquidity** that makes real **adoption** possible.

SCAN THE QR CODE TO JOIN THE ENFLUX BD LISTING MANAGERS COMMUNITY AND START COLLABORATING TODAY

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