

# AQUA

Tractata Management Ltd.

*Wastewater Solutions*

## OCTOBER 2021

## DISCLOSURE STATEMENT

This presentation is provided for discussion and informational purposes only to provide background information with respect to investment in bonds, the proceeds from which will be used to invest in wastewater treatment plants. It is not an offer to sell or the solicitation of an offer to purchase bonds, and you acknowledge that you are not relying on the information contained in this presentation as the basis for any such investment decision you may make in the future. Prospective investors should not construe this overview or any other communication as legal, accounting, tax, investment or other advice, and each prospective investor should consult with their own counsel and advisers as to all legal, tax, regulatory, financial and related matters concerning an investment.

This presentation contains certain forward-looking statements. These forward-looking statements include all statements regarding the intent, belief or current expectations regarding matters covered and all statements which are not statements of historical fact. The forward-looking statements involve known and unknown risk, uncertainties, contingencies and other factors, many of which are beyond our control. Since these factors can cause results, performance and achievements to differ materially from those discussed in the presentation, you are cautioned not to place undue reliance on the forward- looking statements.

## Company

- Aqua Tractata Management, Ltd. is a BVI registered company offering stable medium and long-term income through investments in Design Build Own & Operate (DBOO), Build Own Transfer (BOT) and Build Lease Transfer (BOLT) decentralized wastewater treatment plants.
- DBOO projects are evergreen with water purchase or water-as-a-service agreements
- BOT projects have a minimum 5-year concession with Water-as-a-Service (WaaS) agreements and BOLT plants have a maximum 7-year lease term.

## Structure

- The management company is 100% owned by LifeQuest World Corp. (USA OTC: LQWC-[www.lifequestcorp.com](http://www.lifequestcorp.com) )
- LifeQuest is responsible for business development, technology selection, and assisting with engineering, procurement, construction, installation and operation of all plants with in-country partners.
- LifeQuest World Corp along with its subsidiaries/partners has successfully installed over 30 wastewater treatment plants in water stressed countries and is currently active in eight countries.

# KEY BOND OFFERING TERMS



<b>Issuer</b>	Aqua Tractata Management, Ltd.
<b>Issue Size</b>	€10,000,000
<b>Investors</b>	Accredited Investors
<b>Interest</b>	8% per annum payable quarterly
<b>Guarantee</b>	LifeQuest World Corp. (OTC: LQWC) Will guarantee the bonds and the bonds will rank senior to all of LifeQuest World Corp. non-trade debt.
<b>Seniority</b>	The bonds are an obligation of Aqua Tractata Management, Ltd (BVI) as well as ranking senior to all debt and equity.
<b>Maturity</b>	72 months at which time principal will be paid in balloon payment plus any accrued interest
<b>Redemption</b>	The Issuer may in whole or in part redeem the bonds plus accrued and unpaid interest rate, if any, at any time.
<b>Put Option</b>	The Bond Holders shall have the option to request redemption of outstanding principal as follows: 50% of their holding after the 3 <sup>rd</sup> anniversary; 15% on the 4 <sup>th</sup> anniversary; and 15% on the 5 <sup>th</sup> anniversary.
<b>Use of Proceeds</b>	Invest in Wastewater treatment plants with long term water purchase or water-as-a-service agreements

- 💧 Demand for water will exceed supply by ~40% by 2030.
- 💧 \$14 trillion investment needed in water infrastructure
- 💧 High capex driving focus on decentralized (onsite) treatment and reuse
- 💧 Technology disruption driving massive capital investment
- 💧 BOO/BOT agreements/concessions are long term and provide stable cash flow
- 💧 Compelling source of return and diversification potential in a broad portfolio
- 💧 Water sector has historically outperformed broad world equity markets by 170 basis points (bps) with relatively low historical correlation to broad equity markets
- 💧 Positive impact to society with ESG focus
- 💧 Every \$1 invested in water generates \$4 economic return by improving health, increasing productivity \*www.water.org

# WATER-AS-A SERVICE BOO, BOT & BOLT

Water-as-a-Service®	Traditional Equipment/EPC Contract	Equipment Purchase/EPC contract, Finance, O&M
<ul style="list-style-type: none"> <li>We design, own and build the water plants.</li> </ul>	<ul style="list-style-type: none"> <li>Equipment vendor's goal is to supply low-cost equipment at a profit.</li> </ul>	<ul style="list-style-type: none"> <li>Equipment vendor's goal is to supply low-cost equipment at a profit.</li> </ul>
<ul style="list-style-type: none"> <li>NO up-front capital for clients</li> </ul>	<ul style="list-style-type: none"> <li>Requires ALL up-front capital.</li> </ul>	<ul style="list-style-type: none"> <li>Client has to finance the capital required.</li> </ul>
<ul style="list-style-type: none"> <li>Payment based on volume of water treated with required minimum capacity utilization</li> </ul>	<ul style="list-style-type: none"> <li>Client incurs fixed O&amp;M and capital costs whether a plant and equipment is working or not.</li> </ul>	<ul style="list-style-type: none"> <li>Client incurs fixed O&amp;M and capital costs whether a plant and equipment is working or not.</li> </ul>
<ul style="list-style-type: none"> <li>Operations and maintenance is operator's responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Client responsible for all operating costs, known or unknown.</li> </ul>	<ul style="list-style-type: none"> <li>Potential hidden surprises on "emergency" or "out of scope" repairs.</li> </ul>
<ul style="list-style-type: none"> <li>Guarantee effluent discharge benchmarks</li> </ul>	<ul style="list-style-type: none"> <li>No guarantee on performance beyond the EPC limited warranty.</li> </ul>	<ul style="list-style-type: none"> <li>Finger-pointing between Equipment provider and O&amp;M Operator.</li> </ul>
<ul style="list-style-type: none"> <li>Operator bears responsibility for safety, environmental and regulatory compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Client obligated to meet discharge and reuse rules and standards.</li> </ul>	<ul style="list-style-type: none"> <li>Client has to manage the O&amp;M Operator to enforce the latest rules and standards.</li> </ul>
<ul style="list-style-type: none"> <li>Operator responsible for maintaining operational capacity</li> </ul>	<ul style="list-style-type: none"> <li>Equipment breakdowns, labor relations, regulatory compliance are a nagging concern.</li> </ul>	<ul style="list-style-type: none"> <li>Managing "out-of-scope" breakdowns, hidden fees, surprise invoices. Operator's performance and limited liabilities are a nagging concern.</li> </ul>
<ul style="list-style-type: none"> <li>Low life-cycle costs that are stable and predictable.</li> </ul>	<ul style="list-style-type: none"> <li>Life-cycle costs are high and unpredictable.</li> </ul>	<ul style="list-style-type: none"> <li>Life-cycle costs are high and unpredictable.</li> </ul>



## A Broad Mandate

The Company will invest in water stressed and wastewater treatment deficit countries where regulatory mechanism exists for water purchase or water-as-a-service agreements (resale of treated wastewater).

These investments will be in for the following types of plants:

- Sewage wastewater treatment (STP)
- Industrial wastewater treatment (ETP)
- Wastewater Treatment (WTP)



## Plant-by-plant Approach

The Company will exclusively focus on developing & financing projects that are

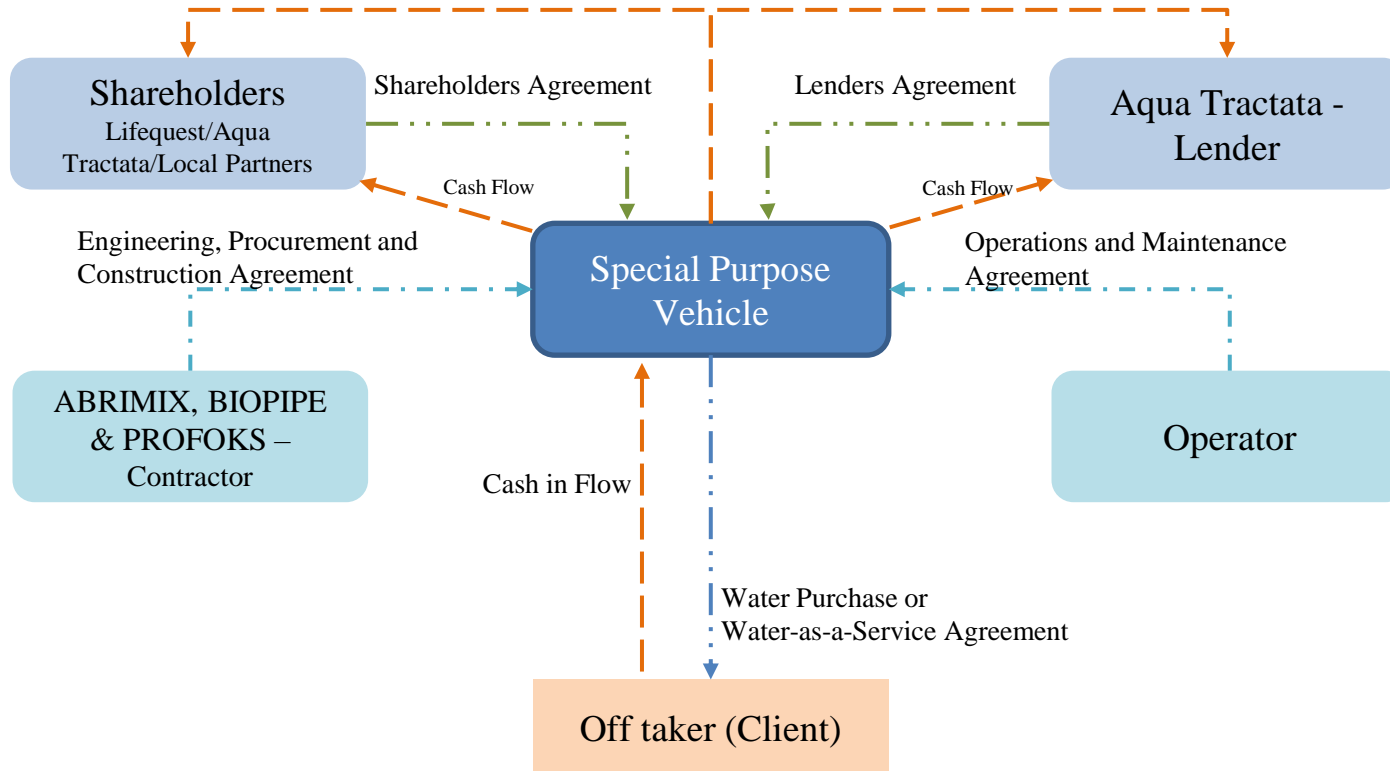
- Designed, engineered, installed and maintained by Lifequest, its subsidiaries or partners in SPVs
- Tariff based water-as-a service (WaaS) or water purchase agreement (WPA) on m<sup>3</sup>/day basis
- Single plant capex limit \$3million in single plant with average investment of \$1 million
- Geographically dispersed
- Low counterparty default risk
- Minimum 15% risk-adjusted project IRR



## Long term focus

The Company is seeking to invest in a portfolio of at least 5 plants initially and grow the portfolio with reinvestment of cash flow over the medium to long term.

- Targeted return to investors 12-month Euribor plus 800-1,000 bps.
- One plant ready for dropdown with 2 in the pipeline in South Africa and Turkey.







Our technologies are patented, scalable, sustainable, can be mobile, capable of treating various types of industrial wastewater, affordable and have with small footprint.

- Biopipe** World's only highly scalable sludge free sewage wastewater treatment system
- Abrimix** Vastly superior in treating industrial wastewater with high solid loading than widely used Dissolved Air Floatation (DAF) systems
- Profoks** Chemical free treatment of tough to treat industrial wastewater to meet Zero Liquid Discharge (ZLD) and Zero Hazardous Chemical Discharge (ZDHC) standards.

Biopipe is the world's only no sludge sewage treatment plant (STP) and water recycling company. Biopipe's key advantages are: No Sludge, No Odor, No Sound, No Chemicals, Low Maintenance, Low Electricity and Low/Flexible Area Footprint.

Biopipe's efficiency means that 99%+ of water treated can be recycled repeatedly with little maintenance, providing much needed water resources in water stressed regions. This water can then be used for cleaning, flushing toilets or irrigation plants.

## BIOPIPE PLANT INSTALLATION



## PLANT AT MORGAN BEEF



Abrimix High Shear Reactor (HSR) based on Reaction Enhancing Technology is a breakthrough approach to treatment of a wide range of industrial influents. Extremely efficient in treating dairy, abattoir and food processing wastewater.

Abrimix's key advantages when compared to DAF (Dissolved Air Flootation) are: 2-in-1 Equipment Water Treatment & Dry Product, 30% less reagents used, low footprint, can handle variable water flows & influents, and can be mobile.

PROFOKS “High Energy Oxygen Generator“ is an extremely powerful generator of a form of oxygen that occurs in nature (lightening strikes) when subjected to certain voltage. Several labs have been able to generate such oxygen but Profoks has managed to produce it at scale. Ozone 3 systems are quiet common but produce hazardous chemicals Nitrogen Oxide and Hydrogen Peroxide due to oxidation. PROFOKS generators do not induce oxidation. They produce high formed energized oxygen molecules that bind to suspended solids and make it possible to send wastewater to Ultrafiltration and Reverse Osmosis to produce reusable water.

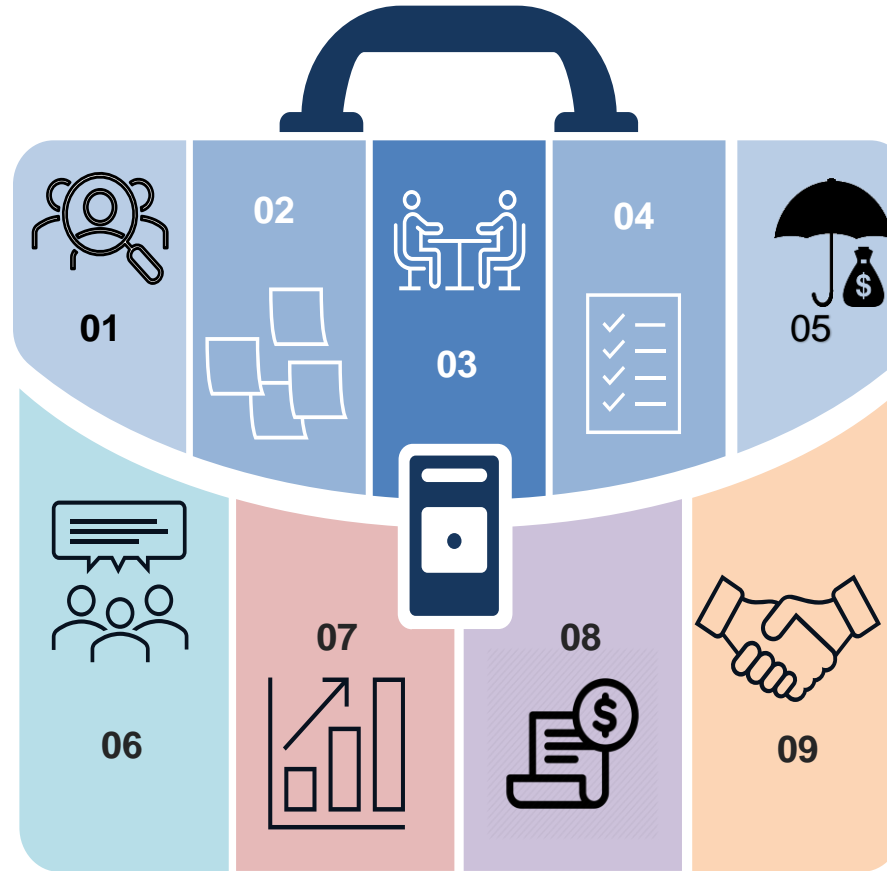
Through our PROFOKS “High Energy Oxygen Generators", we can treat high conductivity (tough to treat) wastewater.

<https://www.eaelectric.com/en> was paying \$40/m<sup>3</sup> to haul away their wastewater and now the treated water is being reused with investment payback in less than 1 year.



# INVESTMENT RISK MITIGATION

1. Proven commercial, patented wastewater treatment technologies
2. Unlimited concession period (Evergreen) or long-term water as a service agreement
3. Take or pay clause ensures payment for agreed upon minimum capacity, even if operations are interrupted or capacity is reduced
4. Performance guarantee from vendors
5. Fully insured



6. Counterparties are well-established companies with strong financial footing, long operating history and focus on ESG
7. Annual per cubic meter rate increases to cover inflation and currency risks
8. 30-day billing cycle with automatic payment process
9. Right to shut down and remove the plant in the event of default. Plants can be installed and recommissioned.

The following model is based on investment of \$3,000,000 in 3 plants:

- 200 m<sup>3</sup>/day Abrimix plant at Morgan Beef, South Africa
- 900 m<sup>3</sup>/day Abrimix plant at Coega Dairy, South Africa
- 200 m<sup>3</sup>/day Profoks BOO common effluent treatment plant in Turkey

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>
<b>Revenue</b>	\$2,105,589	\$2,256,824	\$2,393,720	\$2,539,196	\$2,693,809	\$4,005,919
<b>Operating Expenses</b>	\$818,662	\$586,995	\$620,449	\$655,971	\$693,701	\$717,961
<b>EBIDTA</b>	\$1,286,927	\$1,669,829	\$1,773,270	\$1,883,225	\$2,000,108	\$3,287,958

*Subject to timing of investment, stable pricing & currency, shipping disruption, Covid-19 related delays & lockdowns*

## **Max Khan:**

Max is an entrepreneur and with long career in private equity and corporate finance. Max began his career as a financial consultant in 1987 and founded Alliance Global Finance in 1992, which specializes in corporate finance and investment banking. He served as Director, President and CEO of publicly listed PowrCor Inc. until June 2014. He has raised in excess of \$400,000,000 for various companies and remains engaged in several private equity investments. Max is currently the President and CEO of Lifequest World Corp and devotes 95% of his time to Lifequest and its subsidiary Biopipe Global Corp. Max received his BA in Accounting and Economics from the City University of New York, and his MBA from Pace University, New York.

## **Enes Kutluca**

Enes Kutluca is the founder and inventor of Biopipe technology. He began R&D in his second year at Bahcesehir University with the support of the Turkish Government. Enes is now focused on R&D to continue improving Biopipe and expand its use in treating many other types of effluents and marketing in Turkey and Central Asia. Enes is also leading the Profoks business development initiative in Turkey

## **Tanmay Pawale**

Tanmay brings over 10 years of experience to the techno-commercial domain with experience in Project Management, Business Development and Consulting in the clean tech sector. He also has extensive experience in research, advisory, and consultancy in sectors such as renewable energy, energy management, rural development, climate change, and sustainability. Tanmay is a mechanical engineer with M.Tech in Rural Development and also possesses a Masters in Engineering Management from NTU, UK with Entrepreneurship and Project Management as a major subject of study. Tanmay is a director of Bpipe Corporation Philippines and Aquity Capital, South Africa

## **Pieter Jansen**

Pieter Jansen, founder of Abrimix Pty Ltd. Johannesburg Abrimix is engaged in industrial wastewater treatment and currently has 10 plants running in South Africa and 1 plant in Nigeria.

Pieter is qualified as an extractive metallurgist through a bursary with Gencor a South African Mining company. After leaving Gencor, he entered the water treatment field where he has worked for a number of companies in managing their water treatment divisions, the last being NYSE listed Ecolab. Pieter developed the HSR technology

## **Robert Cloete**

Rob has over 20-year experience in various industries and is technologist focused on intersectionality of sales, engineering and technical project management. His narrow technical focus is on management of wastewater, bioenergy in water-constrained sectors and regions of South Africa. His current focus is on implementing next gen solutions for reuse of wastewater. Rob's key focus is on developing Build Own Operate and Build Own Transfer projects in South Africa.

## **Ignus Portier**

Ignus has 15-year experience in project management and has a deep understanding of the requirements to successfully execute projects in the wastewater treatment and bioenergy sectors. He has a demonstrated track record of delivering projects on time, within budget and to the requisite benchmarks. At present, Ignus' professional work is in the water and mining sectors. He will be responsible for project management of all BOO and BOT projects.

# THANK YOU

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