

CHATSTONE

WATER KIOSKS SYSTEMS

water



Vending Machines

100% passive
with 12% pa fixed return
guaranteed buy-back after 5 years

Put your **money** to **work for you**
Because you've got better things to do with your time



WHY WE EXIST

The mission of **water3™** is to reduce the consumption of single use plastic bottles, creating a more sustainable future for the planet.

WHO WE ARE

water3™ is a social enterprise focused on disrupting the bottled water industry and saving the planet earth, one bottle at a time.

WHAT WE DO

water3™ is revolutionising the way we drink water; via innovative kiosks that provide fresh and healthy chilled spring water, and dispense reusable stainless steel water bottles.

HOW WE DO IT

water3™ is about challenging peoples behaviours around single use plastic bottles; providing a cleaner, greener and healthier alternative.

The Major Forces Changing Market Demand



Customer Awareness

The wider population is becoming more educated and aware of their consumption and waste choices, and the impact of their personal choices.

81% of consumers say they will make personal sacrifices to address social and environmental issues (1).

Millennial Influence

Consumer awareness is even higher in millennials, who are pushing for workplaces buying choices that reflect their values.

Almost 3 out of 4 millennials will pay extra for sustainable offerings (2).



Industry Distrust

There is a distrust towards large food and drinks providers, who are seen as some of the biggest polluters. Large established companies are struggling to gain legitimacy.

Those with favourable opinions towards corporations fell by nearly half from 1999-2016 (3).

State of the Art Infrastructure

Standard kiosk size
(1900 x 1100 x 1050 mm),
constructed from steel and 250kg
dry weight

No external plumbing required,
triple filtered (Carbon, Sediment and UV)
natural spring water delivered to site

Internal 600 litre stainless steel tank,
housing natural spring water and
continued 2-stage filtration process
(Micron and UV)

Powered via a standard power outlet,
requiring approximately 1KW of power
under heavy load



40-inch LCD Screen,
used to display product and
brand information

User Experience Screen,
designed to enhance the customer
journey and satisfaction

Cashless transactions,
use RFID contactless payment
technology or PayWave technology

**Proprietary enterprise
resource planning software,**
developed to identify and manage
kiosk faults

The Numbers

Turn \$25K into \$40K in 5 years
100% Passive

Investment

\$25,000
+GST



Fixed Return

\$15,000
@\$250 p.m.



Result

\$40,000
to re-invest

- Each Water3 vending machine costs \$25,000 + \$2,500 GST (fully refunded at the end of the five year term if you are registered for GST). You can choose to purchase as many machines as you'd like depending on availability.
- You start earning interest immediately. You're paid \$250 per machine each month by direct deposit (calculated at a fixed 12% pa. return).
- At the end of the five year term we'll buy the machine back from you at the original \$25,000 purchase price.

water3 is an Innovative Solution



Dispenses fresh, healthy and chilled natural spring water; with a choice of still or sparkling water.



Refills starting from just \$1 for 500ml of still water or \$2 for 500ml of sparkling water.



Dispense reusable stainless-steel bottles, embedded with RFID contactless payment technology, for \$10 per bottle; plus a free refill.



Visit Water3 app or website to register bottle, add credit and locate kiosks in their area. \$2 additional credit upon registration.



Customers can use their own bottle to refill at the kiosk and simply transact via PayWave technology.



Proprietary software developed for enterprise resource planning and customer service management functions.



Exclusive manufacturing agreements are in place to deliver a high-quality product.



Focused on reducing locals and visitor's reliance on single use plastics and as a byproduct reduces waste and protects our natural environment.

How it Works

What You Do

- Decide how many machines you want to secure
- Get paid automatically by Water3 every month
- Enjoy your extra free time and live your life to the fullest (knowing you're helping the environment, helping the community and helping yourself)

What Chatstone Does

- Manages the purchase of Water3 kiosks
- Pays you automatically by direct deposit every month directly into your bank account
- Manages the buyback of the Water3 vending machine at the conclusion of your purchase agreement

What Water3 Does

- Secures a suitable location for your Water3 vending machine
- Transports your Water3 vending machine to that location
- Installs your Water3 vending machine and fills it with natural spring water
- Markets Water3 for you so that there's market demand
- Offers a Water3 app so consumers can easily find the nearest Water3 machine
- Monitors and maintains your Water3 vending machine
- Refills your Water3 vending machine with natural spring water
- Manages resource planning software to identify and manage kiosk faults

Our Guarantee to You

If your machine is being repaired, and therefore not producing income, we will continue to honour the lease of every vending machine as per our agreement. There are no liabilities to you for the restocking, maintenance or damage of the machine.

The End to End Process

1 water3 Filtration Process



Sourcing
Supplier



Transport &
Storage

2 Transport to Kiosk



Treated Water
Storage



Transport to
Vending Machine

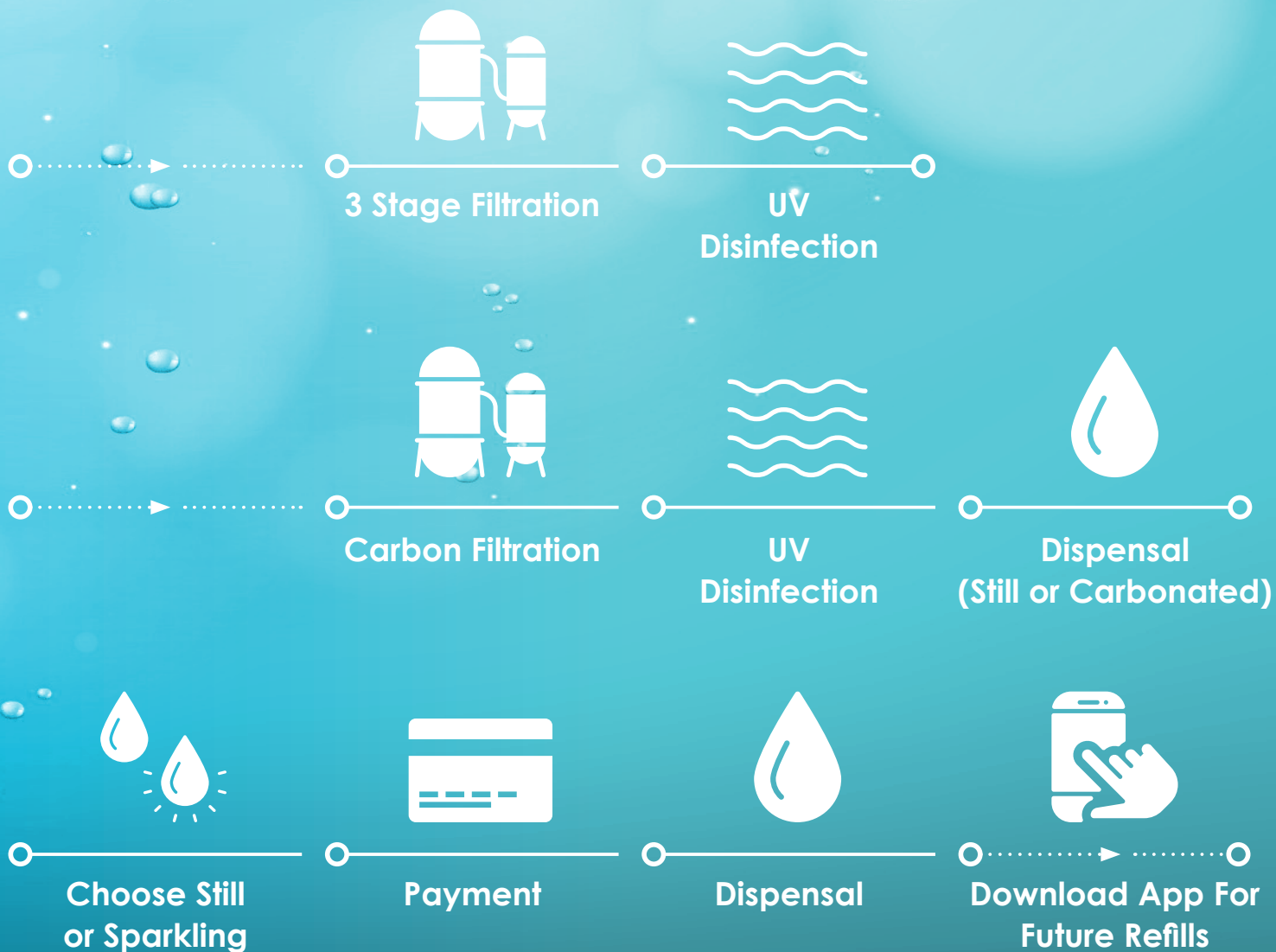
3 Customer Journey



Locate a
Vending Machine



Refill or Buy
a Bottle





The Company

You purchase a Water3 vending machine from Chatstone PTY LTD who leases it back for 5 years. When the lease term expires Chatstone PTY LTD buys the vending machine back from you at the full purchase price.

Chatstone PTY LTD is a fully registered and independent, Australian company, registered on 24th May 2012 and located in Brisbane, Queensland, Australia. ACN 158 539 710

Security

Security for your Water3 vending machine. The Act and Personal Property Security Register (PPSR) applies to security over personal property – property that is not land or fixtures to land (i.e. real estate and buildings).

Personal property can be owned by a commercial organisation or an individual. A business can use personal property as collateral (as security for a debt owed to sellers or financiers), and this can include goods leased or hired, or received on consignment. In such cases, the, seller, owner, lessor, lender, consignor or financier – called the secured party in this guide – has a security interest in the collateral (your water vending machine).

A security interest must be registered on the PPSR by the secured party to ensure their interest is secured. The debtor, buyer or customer who offers the collateral as security is called the grantor under the Act. This registration process protects your assets from being sold or borrowed against.

Buy back

After five years, Chatstone PTY LTD will purchase the vending machine(s) back from the investor for \$25,000 AUD (+gst if applicable) each. If you, as a vending machine investor, wish to exit the investment before this time you can apply for early redemption.

Monthly newsletter

Chatstone PTY LTD reports to investors on a monthly basis. The monthly report contains details of the company's progress, vending machine placement expansion and general business updates.



Disclosure Statement

Disclaimer The information provided in this term sheet is not intended to be tax, financial or accounting advice. You are strongly recommended to obtain independent advice from your own tax, financial or accounting professionals as individual tax, GST and/ or financial positions may vary. The vending machines are not a financial instrument.

Directors declaration The Directors have made reasonable enquiries to ensure that there is no material statement in the Offer Document that is false or misleading. They have also made reasonable enquiries to ensure that there is no material omission from the Offer Document. If after reading this publication you wish to undertake further investigations, receive an application to purchase a vending machine, or require further information, please

The background is a vibrant blue gradient, transitioning from a lighter, almost white blue at the top to a deeper blue at the bottom. A stylized, translucent blue wave flows across the upper half of the image. Numerous water droplets and bubbles of various sizes are scattered throughout the scene, some appearing to float and others to be part of the wave's structure. The overall effect is clean, fresh, and aquatic.

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