

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: Advantex Marketing International Inc. (the "Issuer" or the "Company").

Trading Symbol: ADX

Number of Outstanding Listed Securities: 6,932,716,451

Date: For the month of November 2021

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer's on-going business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CNSX Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Covid-19 pandemic and the resulting government mandated lock-down from mid-March 2020 until its gradual easing during June - August 2020, followed by re-imposition of selective restrictions since September 2020, followed by stricter

on and off restrictions since December 2020 and despite the easing/gradual roll-back of restrictions from July 2021 is an unprecedented situation and is a financial challenge for the Company and its customers, small independent merchants, operating generally in the segments designated as non-essential services during restrictions imposed by the federal and provincial governments. The Company's merchant base is primarily restaurants across Canada although substantially found in GTA, Montreal and Vancouver. There continued to be a material impact on the Company's cash inflows in November 2021. Since mid-March 2020 the Company's revenues are significantly lower vs. corresponding periods in the previous pre-Covid-19 periods which led to an erosion in its capital and weakening of its balance sheet. The Company has and is continuously taking defensive action to right-size its costs and cash outflows and align to revenues and cash inflows by means of cost control, seeking deferral accommodation from its service providers, applying for and receiving government relief programs wherever it is eligible to do so. The proceeds of the \$1.0 million debenture financing closed in September 2021 was being used in November 2021 to stabilize the Company's financial position, fund its Merchant Cash Advance ("MCA") business and for general corporate purposes.

MCA is the primary source of Company revenues. The revenue from MCA, the working capital product, is the discount at which the Company has purchased merchants' future cash flows and it is earned as the Company collects the cash flows over the contracted term. The collection is a fixed contracted amount either once or twice a week over contracted term. The revenue from MCA is dependent on number of merchants, the amount of working capital deployed with merchants, the discount at which merchants' future cash flows are purchased by the Company, and the Company's ability to collect the future cash flows. During November 2021 the Company continued to deal with slow-down consequent to Covid-19 vs pre Covid-19 pandemic. The Company continued to assist its merchants with softer payment terms to suit the merchants' revenues wherever and to the extent it could do so. Several merchants have closed either permanently or temporarily. During August 2020 and September 2020 the Company renewed on a selective basis working capital advances to eligible merchants. Since then and until close of the financing in March 2021 the Company did not provide significant working capital advances to merchants, given the credit risks in an uncertain environment and deficiency of working capital, thereby reducing both the number of participating merchants and pre-purchased future cash flows which further contributed to the revenue decline. Post the March 2021 financing the Company provided working capital advances in March and April 2021 – in the context of its limited working capital capacity and credit environment - to selective merchants. After close of the debenture financing in September 2021 the Company continued during November 2021 the process of re-building its MCA business.

The Company also has a partnership with Aeroplan Inc. Here the Company is a re-seller of aeroplan points to merchants' who use the points for marketing their businesses. The Company earns its revenue in the Aeroplan program from selling consumer rewards, at an agreed price per consumer reward, to participating merchants. Revenues from the Aeroplan program reflect the number of participating merchants, traffic of aeroplan members completing purchases at

participating merchants and level of engagement of participating merchants in the program. Due to lower demand from the Company's merchant base, especially hotels, again due to Covid-19, for loyalty marketing, the revenues from this activity from mid-March 2020 to November 2021 declined compared to corresponding period pre Covid-19. The term of the agreement with Aeroplan Inc. was due to expire April 30, 2019, was extended to April 30, 2020 and thereafter further extended to April 30, 2021. As of date hereof the two parties continue to work together under the terms of the original agreement while discussing future terms and direction.

A fuller detail on the Company's programs and revenues is available in its annual and interim filings available under the Company's profile on www.sedar.com. As noted in the opening paragraph, Covid-19 is the significant factor in March 2020 to November 2021 revenues from MCA and Aeroplan programs.

2. Provide a general overview and discussion of the activities of management.

Management were focused on activities described in response to question 1.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

No change during November 2021.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

No change during November 2021.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

No change during November 2021.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

The Company has a partnership with Aeroplan Inc. – see response to question 1. The term of the agreement with Aeroplan Inc. was due to expire April 30, 2019, was extended to April 30, 2020 and thereafter further extended to April 30, 2021. As of date hereof the two parties continue to work together under the terms of the original agreement while discussing future terms and direction.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provides details of the relationship.

No change during November 2021.

8. Describe the acquisition of new customers or loss of customers.

The Company's agreements with merchants participating in its MCA program, described in response to question 1, have between six to eighteen month terms, generally twelve months, and at the end of the term are renewable at the sole discretion of the Company. The Company's agreements with merchants participating in the Aeroplan program are generally of twelve month term and renew at end of the term for additional terms of twelve months unless either party terminates, per the terms and conditions of the agreement, prior to the end of the term.

The Company's sales staff has the role of acquiring new merchants and maintaining relationship with existing customers.

Covid-19 has had an impact on the continuity of businesses. The Company's customers are small independent merchants. This market has seen significant financial stress due to Covid-19 and the Company has lost and expects to lose customers due to closure of businesses. The expected loss of merchants' due to Covid-19 related closures is also described in the Company's filings with respect to fiscal year ended June 30, 2020 to fiscal year ended June 30, 2021. Despite easing of public health restrictions from July 2021 and close of \$1.0 million debenture financing in September 2021, the Company's ability to re-build it's MCA portfolio is dependent upon return of business confidence in the independent merchant community and availability of capital, for MCA business, from the \$1.0 million debenture financing.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Not applicable to the Company's activities.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None during November 2021.

11. Report on any labour disputes and resolutions of those disputes if applicable.

Not applicable – None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

From time to time, the Company is party to legal proceedings arising out of the normal course of business. The results of these litigations cannot be predicted with certainty, and the Company is of the opinion that the outcome of these types of proceedings is generally not determinable.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

The Company utilizes loan payable to fund 90% of each dollar of advances given to merchants under its MCA program. The Company funds the 10% from its own cash resources. The loan payable is a line of credit facility provided by financial partner Accord Financial Inc. (“Accord”). The line of credit facility limit is \$8.5 million. The balance on loan payable reflects the issuance of new advances to merchants (usage of line of credit facility), collections from merchants (which leads to pay-back of line of credit facility), delinquencies (Company back stops all delinquencies) and movement on line of credit facility is a reflection of the movement of the MCA portfolio.

No change on the principal amount of \$7.009 million due to holders of 9% Non convertible debentures payable.

Additional details on loan payable and 9% Non convertible debentures payable are available in the Company’s the consolidated financial statements for three months ended September 30, 2021 which are available under its profile on www.sedar.com and on its website www.advantex.com.

14. Provide details of any securities issued and options or warrants granted.

None during November 2021.

15. Provide details of any loans to or by Related Persons.

Information on Company's 9% Non convertible debentures payable held by related persons is available in the consolidated financial statements for three months ended September 30, 2021 which are available under its profile on www.sedar.com and on its website www.advantex.com.

16. Provide details of any changes in directors, officers or committee members.

No change during November 2021.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Trends, risks and uncertainties noted under "General Risks and Uncertainties", "Economic Dependence", and "Working Capital and Liquidity Management" in the Company's MD&A for the three months ended September 30, 2021, filed on November 25, 2021, which is available under the Company's profile on www.sedar.com and on the Company's web-site www.advantex.com. The Company's consolidated financial statements for fiscal year ended June 30, 2021, and three months ended September 30, 2021 carry a Going concern note.

On November 1, 2019 the Ontario Securities Commission ("OSC") issued a Cease Trade Order ("CTO") because the Company did not file by due date its annual financial statements, accompanying management discussion and analysis and related CEO and CFO certifications for the financial year ended June 30, 2019. In May 2021 the Company applied to the OSC for full revocation of the CTO. The OSC issued an order dated June 24, 2021 revoking the failure-to-file CTO issued against the Company on November 1, 2019. The Company shall be completing necessary requirements and then following up with the Canadian Securities Exchange to remove the suspension and resume the trading of its common shares, which resumption when effected will be confirmed in a follow up press release.

The news towards end of November 2021 of Covid-19 Omicron variant has created an additional uncertainty with as yet unknown impact on economic activity in Canada and consequently on the Company.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: December 06, 2021.

Mukesh Sabharwal
Name of Director or Senior
Officer

"Mukesh Sabharwal"
Signature

Vice - President and CFO
Official Capacity

Issuer Details		For Month End	Date of Report YY/MM/DD
Name of Issuer Advantex Marketing International Inc.		November 2021	21/12/06
Issuer Address 600 Alden Road, Suite 606			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Markham, Ontario, L3R 0E7		(905) 946 2984	(905) 470 9558
Contact Name		Contact Position	Contact Telephone No.
Mukesh Sabharwal		Vice - President and CFO	416 560 5173
Contact Email Address Mukesh.sabharwal@advantex.com		Web Site Address www.advantex.com	