

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: 857,299,614

Date: For the month of August 2019

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.

Until March 31, 2019 the Company managed merchant based loyalty programs for Canadian Imperial Bank of Commerce ("CIBC"). The Company managed merchant based loyalty programs for Toronto Dominion Bank ("TD") and this arrangement ended June 15, 2019. The core business, CIBC/TD program, of

the Company rested on partnerships with CIBC and TD. In response to the loss of CIBC and TD partnerships the Company shifted its business focus to providing working capital and marketing services to retail merchants.

The Company also has a partnership with Aeroplan. Here the Company is a reseller of aeroplan miles to retailers.

During August 2019 the Company continued to transition its merchant portfolio participating in its CIBC/TD program to its new business model, operated its new business model and sold aeroplan miles. The transition of the merchant portfolio is substantially complete at the end of August 2019.

The Company earned revenue from merchants participating in its CIBC/TD program, in the form of an agreed marketing fee, for every purchase completed using a CIBC and TD aero credit card at their establishments. The revenue from the new business model, the working capital product, is the discount at which the Company has purchased merchants' future sales/receivables and it is earned as the Company collects the future sales/receivables over the contracted term. The collection is a fixed contracted amount either once or twice a week over contracted term. The Company earns its revenue in the Aeroplan program from selling consumer rewards, at an agreed price per consumer reward, to participating merchants.

The Company's merchant partner base operates in diverse business segments but currently primarily restaurants many of which are leaders in their communities.

Historically, though merchant count was a key driver of revenues from the programs, revenues from the CIBC/TD program were also dependent on the penetration of CIBC credit cards and TD aero credit cards; economic environment; mix of merchants in terms of their volume of CIBC and TD aero credit card transactions; and merchant participation levels in the Advance Purchase Marketing product – product combining CIBC/TD focused loyalty marketing and working capital - (“APM”) and Marketing Only products because the fees that a merchant would pay for participation in APM was higher compared to Marketing Only. The Company's CIBC/TD program revenues were also reflective of seasonal consumer behaviour. 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. The revenue from the working capital product is dependent on number of merchants, the amount of working capital deployed with merchants and the discount at which merchants' future sales/receivables are purchased by the Company. 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.

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 August 2019.

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 August 2019.

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.

The current agreement with Aeroplan, renewed in November 2014, was due to end April 30, 2019. The agreement was extended until June 15, 2019 to enable negotiations on future direction and terms. The Company continues to operate its Aeroplan program pending finalization of future direction and terms.

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.

No change during August 2019.

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 August 2019.

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

The Company's agreements with merchants participating in its new business model, 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.

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.

No change during August 2019.

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's annual and quarterly filings, available under the Company's profile on www.sedar.com, provide fuller details on the Company's line of credit, and its non-convertible debentures.

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

None during August 2019.

15. Provide details of any loans to or by Related Persons.
None during August 2019.
16. Provide details of any changes in directors, officers or committee members.
None during August 2019.
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.
Those noted under "General Risks and Uncertainties", "Economic Dependence", and "Working Capital and Liquidity Management" in the Company's MD&A for the three and nine months ended March 31, 2019, which is available under the Company's profile on www.sedar.com.

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: September 5, 2019.

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.		August 2019	2019/09/05
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 9557
Contact Name Mukesh Sabharwal		Contact Position Vice - President and CFO	Contact Telephone No. 416 560 5173
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