

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: 97,025,368

Date: For the month of December, 2013.

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 Company is a leader in the marketing services industry. The Company develops and manages merchant based loyalty programs for organizations through which their customers accelerate earning frequent flyer miles and/or other rewards on purchases at participating merchants.

Under the umbrella of its legacy programs, the Company provides participating merchants with marketing, customer incentives, and additionally pre-purchase of merchants future sales through its Advance Purchase Marketing® (APM) program. The Company earns revenue on legacy programs as customers make purchases using designated credit cards at merchants participating in its programs.

The revenue model of the business the Company acquired at end of January, 2013 is to sell aeroplane miles to merchants. The merchants in turn use the aeroplane miles as part of their marketing. The Company purchases aeroplane miles from Aeroplan Canada Inc.

At the end of December, 2013 there were approximately 2,000 merchants participating in the Company's programs which was similar to September, 2013.

In the month of December, 2013, there were fewer meetings with new prospective merchants due to holidays.

The merchants participating in the Company's programs operate restaurants; golf courses; independent inns, resorts and selected hotels; spas; retailers of men's and ladies fashion, footwear and accessories; retailers of sporting goods; florists and garden centres; book and newspaper stores; health and beauty centres; dry cleaners; gift centres; home décor; automotive dealerships; and retailers of tires many of which are leaders in their respective categories (collectively "Retail programs")

Though merchant count is a key driver of revenues, revenues from legacy programs are also dependent on the sales volume of designated credit cards ("consumer spending") at participating merchants, the fee rate the Company is able to charge to secure new merchant participation and retain existing merchants, and the mix of merchants participating in the Company's APM program vs. Marketing Only program. The Company's revenues are also reflective of seasonal consumer behaviour as well as general economic cycle. A fuller detail on the Company's Retail 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 December, 2013

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 December, 2013.

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 December 2013.

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.

Advantex Marketing International Inc. has completed its planned refinancing. The Company sold, by way of private placement, 5,159 units at a price of \$1,000 per Unit. This is comprised of (i) \$1,000 face value secured non-convertible debentures of Advantex bearing interest at 12% per annum, maturing on September 30, 2016 and (ii) 8,150 common shares in the capital of the Company. The amount refinanced was \$5.2 million.

The Company has used the proceeds of the private placement plus cash in hand to pay off the outstanding principal and accrued interest on \$7.9 million of principal amount of its 12% non-convertible debentures and the 14% non-convertible debentures of its subsidiary. In connection with the refinancing, the holders of the Existing Debentures that have been repaid have agreed to surrender to the Company the warrants issued in connection with such Existing Debentures. Any Existing Debentures not exchanged for New Debentures will mature in accordance with its terms (as amended) on December 31, 2013 and any warrants issued in connection therewith, unless exercised, will expire on December 31, 2013.

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 December, 2013

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

This is described in response to question 1.

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.

One Marketing Associate and one GM Banking Loyalty Program were hired. Two employees from IT, one from finance and five Marketing Associates left the company in December, 2013.

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.

In the normal course of its business, the Company may from time to time commence legal proceedings against those participating merchants who are not in compliance with the terms of contract signed between the Company and the merchant. Excluding any such proceedings that may have been commenced by the Company, not applicable for December, 2013.

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

The Company had changes on its line of credit which is used exclusively to grow its business through its Advance Purchase Marketing (APM) program.

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 the two non-convertible debentures.

14. Provide details of any securities issued and options or warrants granted.
No change during December 2013.
15. Provide details of any loans to or by Related Persons.
Not applicable – None during December, 2013.
16. Provide details of any changes in directors, officers or committee members.
No change during December, 2013.
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", and "Economic Dependence" in the Company's MD&A for the year ended June 30, 2013, 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: January 07, 2014.

Kelly Ambrose
Name of Director or Senior
Officer

"Kelly Ambrose"
Signature

President and CEO
Official Capacity

<i>Issuer Details</i> Name of Issuer	For Month End	Date of Report YY/MM/DD
Advantex Marketing International Inc.	December, 2013	2014/01/07
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	Contact Position	Contact Telephone No.
Kelly Ambrose	President and CEO	905 946 2957
Contact Email Address kelly.ambrose@advantex.com	Web Site Address www.advantex.com	