



# ADVANTEX

## NEWS RELEASE

For Immediate Release

### **Advantex Announces Completion of Restructuring**

**Toronto, December 22, 2017** – Advantex Marketing International Inc. (CSE: ADX) (“**Advantex**” or the “**Company**”), a leading specialist in the marketing services industry, today announced it has completed a financial restructuring (the “**Restructuring**”), including a refinancing (the “**Refinancing**”) of its outstanding senior secured non-convertible debentures with a maturity date of December 31, 2017 (collectively, the “**Existing Debentures**”).

The Restructuring will have a positive impact on the Company because it will provide access to additional working capital for use in transition to the next phase of recovery of the Company’s core business, during which it expects a gradual but sustained growth in its CIBC/TD program merchant base and related revenues.

As part of the Refinancing, Advantex issued units (the “**Units**”) to holders of the Existing Debentures. Each Unit is comprised of (i) \$1,000 face value of amended and restated secured non-convertible debentures (the “**Amended and Restated Debentures**”) bearing interest at 9% per annum and maturing on December 31, 2021; (ii) 108,244 common shares in the capital of the Company; and (iii) a restructuring bonus payment of \$180 for each \$1,000 of their Existing Debenture payable on the maturity date or earlier required repayment.

The Company amended and restated the Existing Debentures on a dollar for dollar basis in order to extend the maturity date and amend the interest rate to meet the above terms. All other material terms of the Existing Debentures remain unchanged. The Units can be converted, for a period of 30 days following closing into unsecured debentures of Advantex bearing interest at a rate of 9% per annum and maturing on September 30, 2020.

Pursuant to the Restructuring, the Company also issued an additional \$400,000 worth of Units.

In addition, as part of the Restructuring, all of the directors, officers and employees of the Company agreed to an up-to twenty percent (20%) reduction of their remuneration for a 12 month period commencing effective August, 2017. The Company also paid retention bonuses (the “**Retention Bonuses**”) to its Chief Executive Officer and Chief Financial Officer. The Retention Bonuses were paid in common shares of the Company with 29,000,000 common shares issued to the Chief Executive Officer and 12,500,000 common shares issued to the Chief Financial Officer.

The aggregate principal amount of the Amended and Restated Debentures is \$5,159,000 and together with the additional Units an aggregate of 643,228,396 Common Shares were issued by Advantex in connection with the Refinancing and Retention Bonuses.

In connection with the Restructuring, Advantex applied for and was granted relief from the Canadian Securities Exchange minimum price requirement set out in Policy 6 - Distributions.

As the Restructuring may constitute a related party transaction pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, Advantex intends to rely on the financial hardship exemption from the minority approval requirement of such instrument. The Board has commissioned a fairness opinion in respect of the Restructuring. In reliance on the fairness opinion and such other matters as it has determined are appropriate, the board of directors of the Company unanimously determined that the Restructuring will improve the financial position of Advantex and that the terms of the Restructuring are reasonable in the circumstances.

### **About Advantex Marketing International Inc.**

Advantex provides specialized marketing programs that enable members of affinity groups to earn frequent-flyer miles and other loyalty rewards through purchases at participating merchants.

Through partnerships with Aeroplan, Toronto-Dominion Bank, Canadian Imperial Bank of Commerce and Caesars Entertainment, Advantex has contractual access to millions of consumers with above-average personal and household income. Advantex also has partnerships with about 1,025 merchants in Canada and the US.

Advantex shares trade on the Canadian Securities Exchange under the symbol ADX. For more information, go to [www.advantex.com](http://www.advantex.com).

### **Forward-Looking Information**

*This news release contains “forward-looking statements” within the meaning of applicable securities laws relating to the future business and operations of Advantex, including relating to the Company’s repayment of Existing Debentures and the impact on shareholder value. Readers are cautioned not to place undue reliance on those forward-looking statements. Actual results and developments may differ materially from those contemplated by these statements. The business and operations of Advantex described herein is dependent on a number of factors and is subject to a number of risks and uncertainties. Factors that could cause actual results to differ material include, but are not limited to, changes in Advantex’s economic and competitive conditions relating to the industry sectors in which Advantex operates.*

*The statements in this news release are made of the date of this release. Forward-looking statements are made based on management’s beliefs, estimates and opinions on the date the statements are made and Advantex undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable law.*

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