ADVANTEX

NEWS RELEASE

For Immediate Release
CNSX: ADX

Advantex Announces Fiscal 2011 Third-Quarter Results

- Growth in 2011 constrained as Advantex deals with negotiating changes to affinity program; company records net loss of $240,000 through first nine months
- Revenue and gross profit from retail programs increase for 2011 third-quarter and nine-month periods from respective prior-year levels
- Successful completion in recent months of three key initiatives positions company for sustainable high growth in revenue and profitability
- Agreement to changes in affinity program enables company to resume aggressively adding merchants to retail program; total of 789 merchants participating at the end of third quarter expected to increase more than 14% to more than 900 at end of May

---

Toronto, May 30, 2011 – Advantex Marketing International Inc. (CNSX:ADX), a leading specialist in merchant funding and merchant-based loyalty marketing programs, today announced its results for the fiscal 2011 third-quarter and nine-month periods ended March 31, 2011. All references to quarters or years are for the fiscal periods and all currency amounts are in Canadian dollars unless otherwise noted.

"In recent months, Advantex successfully completed three key initiatives that we believe will enable our company to achieve sustainable high growth in revenue and profitability," said Kelly Ambrose, Chief Executive Officer and President. "The benefits that we expect to realize from our recent accomplishments are not reflected in the 2011 third-quarter and nine-month results as we were affected during these periods by an operating issue that we previously reported. While our year-to-date financial results in 2011 are weaker than we had planned, our revenue and gross profit from our retail business increased in the 2011 third quarter and first nine months compared with the comparable 2010 levels. We are moving forward with a renewed sense of confidence and optimism based on our recent accomplishments.

"It has been increasingly apparent that both merchants and our Aeroplan affinity partner are very pleased by the product value proposition and the merchant training that we are providing. However, the operating issue that developed was that during our second quarter, it became apparent that we were becoming victims of our success; the actual costs of loyalty rewards were exceeding the amount that we had budgeted in the pricing model. We made the difficult, but necessary, decision to put a hold on adding new merchants to the program and opened discussions with our affinity partner.

"The goal of our discussion," Mr. Ambrose continued, "was to reach a mutually beneficial agreement that would enable Advantex to resume aggressively growing the number of participating merchants while generating an acceptable return on the program. The discussions took longer to conclude than we had hoped and through the first two months of the third quarter, Advantex continued to incur higher-than-expected costs for the rewards and also maintained a hold on the activation of new merchant participants.

“Our discussions were successful making one of our key accomplishments during the third quarter reaching an agreement, effective March 1, 2011, on revisions to the Aeroplan program reward offerings that enabled us to resume growing the merchant base and to operate this increasingly popular program at an attractive level of profitability. We appreciate the cooperation of our affinity partner through this process,” Mr. Ambrose continued.

“Since completing the agreement, we are encouraged by our progress once we began again adding merchants to our loyalty rewards program. At the end of the third quarter, 789 merchants were participating. By the end of May, we expect to have increased this total by more than 14 percent to more than 900 merchants,” he said.

“A second recent accomplishment enabled us to achieve financial stability through at least September 2013. Advantex funds its operations and growth through cash flow and debt financing. To continue operating and growing, we needed to ensure continued access to our non-convertible and convertible debentures financing, as well as the line of credit facility. On May 13, 2011, we were able to announce that we had completed the second and final stage of the refinancing of the non-convertible and convertible debentures for a multi-year term ending September 30, 2013, raising a total of $8,272,000 in two tranches. Advantex also continues to have a line of credit facility, renewed in September 2010 for a three-year term ending in December 2013 for a total of $8.5 million. At the end of the 2011 third quarter, we had used only $3.7 million of the credit available.

“Our third recent accomplishment,” Mr. Ambrose said, “is the launch of two new products. Beginning in mid-May, we introduced a variant of our APM program specifically tailored to the needs of small merchants who require funding for extended periods. We expect this program to be well received as banks and traditional lenders have largely ignored the small merchants. Under our APM program, Advantex acquires at a discount from participating merchants the rights to cash flow from future designated credit-card transactions. We also promote the merchants though our loyalty marketing and other targeted marketing programs.

“Independent merchant coupon promotion is a significant growth opportunity in today’s market. Groupon represents the best widely known example. Advantex has reached an arrangement with GaggleUp, a small merchant promotion company similar to Groupon, to act as its sales force. Advantex expects to bring this product offering initially to its existing merchant base, and then expand beyond to the general market place. The agreement is expected to be finalized shortly, with a soft launch in June. Initial sales efforts have met with good reception from the market,” Mr. Ambrose said.

Another noteworthy event of the 2011 third quarter was the transition effected on March 15 of the listing of Advantex’s common shares from the TSX Venture Exchange to the Canadian National Stock Exchange.

Financial Highlights

(dollars thousands except per share amounts)

	Three months Ended March 31, 2011	Three months Ended March 31, 2010	Nine Months Ended March 31, 2011	Nine Months Ended March 31, 2010
Revenue – continuing operations				
Retail programs	2,854	2,657	9,833	8,766
Interest income, etc.	22	--	23	--
Total Revenue	2,876	2,657	9,856	8,766
Gross Profit – continuing operations				
Retail programs	1,866	1,858	6,788	6,105
Interest income, etc.	22	--	23	--
Total Gross profit	1,888	1,858	6,811	6,105
Contribution from operations and Profit before amortization and interest – continuing operations	135	380	1,769	1,708
Net earnings (loss)	(446)	(276)	(240)	21
Net earnings (loss) per basic and diluted common share	($0.00)	($0.00)	($0.00)	$0.00

Historically, the third quarter is Advantex's weakest period reflecting the seasonal pattern of consumer spending. The results in 2011 were further affected by issues discussed concerning the Aeroplan program that have since been successfully resolved.

Revenue from retail programs for the 2011 third quarter and nine-month periods rose from the levels of 2010 as the result of higher merchant participation. Improvement in gross profit is a reflection of increase in revenues. Gross margins were impacted by increase in direct expenses reflecting rewards costs on Aeroplan sponsored program discussed in earlier part of this press release, higher levels of marketing activities on behalf of participating merchants, partially offset by lower provision for receivables consequent to lower merchant delinquencies.

Operating expenses, which include SG&A and stock based compensation expense, for 2011 third quarter and first nine months at $1,752,000 and $5,042,000, were $273,000 and $645,000 respectively higher vs. corresponding period in the previous year. Advantex increased its selling staffing to capitalize on the revenue expansion opportunities available through the growth of its retail programs. The increase also partially reflects the restoration of staff salaries in the latter half of 2010 from the levels to which they had been previously reduced in 2008 as part of cost-savings measures implemented to deal with the economic downturn at that time. For three and nine months ended March 31, 2011 stock based compensation expense also includes a charge of $71,000 respecting the grant of 4,675,000 stock options on March 16, 2011.

Advantex closed down its online shopping mall business during the three months ended March 31, 2011 and is now reported as a discontinued operation in the interim consolidated financial statements.

About Advantex Marketing International Inc.

Advantex is a specialist in the marketing services industry, managing white-labeled rewards accelerator programs for major affinity groups through which their members earn bonus frequent flyer miles and/or other rewards on purchases at participating merchants. Under the umbrella of each program, Advantex provides merchants with marketing, customer incentives, and additionally secured future sales through its Advance Purchase Marketing model. Advantex partners include more than 900 merchants operating as restaurants, golf courses, small inns and resorts, hotels, retailers; CIBC; and Aeroplan. Advantex is traded on the Canadian National Stock Exchange under the symbol "ADX". For additional information on Advantex, please visit www.advantex.com.

Forward-Looking Information

This press release contains certain "forward-looking information". All information, other than information comprising historical fact, that addresses activities, events or developments that Advantex believes, expects or anticipates will or may occur in the future constitutes forward-looking information. Such forward-looking information relates to, without limitation, information regarding: Advantex's belief that the recent successful completion of three key initiatives noted in the press release will enable Advantex to achieve sustainable high growth in revenue and profitability; Advantex's belief that both merchants and Aeroplan affinity partner are very pleased by the product value proposition and the merchant training that is provided by Advantex; the agreement with Aeroplan respecting revision of the Aeroplan sponsored program reward offer will enable Advantex to resume growing its merchant base and operate the program at an attractive level of profitability; Advantex's belief respecting the popularity with merchants of its Aeroplan sponsored program; Advantex's belief that it has been able to achieve financial stability through at least September, 2013; Advantex's expectation that its APM program specifically tailored to meet the needs of small merchants will be well received; Advantex's expectation of the size of the market for its programs; Advantex's ability to increase the number of merchants participating in its programs; Advantex's expectation of the size of the market for independent merchant coupon promotion, the timeline for launch of the product by Advantex, and outcome after launch.

Forward-looking information reflects the current expectations or beliefs of Advantex based on information currently available to Advantex. With respect to the forward-looking information contained in this Press Release, Advantex has made assumptions regarding, among other things, the size of the market for the Advantex's programs; its ability to increase merchant participation in its programs; its ability to access future financing; continued affinity partner participation with the Advantex; continued support from its providers of Loan payable and holders of Debentures payable; current and future economic and market conditions and the impact of same on Advantex's business; ongoing and future revenue sources; future business levels; interest and currency rates; ongoing consumer interest in accumulating frequent flyer miles; and the Advantex's ability to manage risks connected to collection of transaction credits.

Forward-looking information is subject to a number of risks, uncertainties and assumptions that may cause the actual results of the Advantex to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on Advantex. Factors that could cause actual results or events to differ materially from current expectations include, among other things, changes in general economic and market conditions; changes to regulations affecting the Advantex's activities; level of merchant participation in the Advantex's programs; uncertainties relating to the availability and costs of financing needed in the future; termination of the CIBC agreement; termination of the Aeroplan agreement; currency risks, the inability of Advantex to collect under its APM program; Advantex's financial status, and other factors, including without limitation, those listed under "General Risks and Uncertainties" and "Economic Dependence" in the Management Discussion and Analysis for the three and nine months ended March 31, 2011 which is available under Advantex's profile on SEDAR at www.sedar.com.

All forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Advantex disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although Advantex believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

- 30 -

For further information please contact:
Mukesh Sabharwal
Vice-President and Chief Financial Officer
Tel: 905-470-9558 ext. 249
E-mail: Mukesh.sabharwal@advantex.com

ADVANTEX MARKETING INTERNATIONAL INC.
CONSOLIDATED FINANCIAL STATEMENTS
For the three month and nine month periods
Ended March 31, 2011

The accompanying consolidated financial statements have been prepared by management and approved by the Board of Directors of the Company. Management is responsible for the information and representations contained in these consolidated financial statements and other sections of this report.

An auditor has not performed a review of these financial statements.

ADVANTEX MARKETING INTERNATIONAL INC.
CONSOLIDATED BALANCE SHEETS
(unaudited – note 1a)

	Note	March 31, 2011	June 30, 2010
		$	$
ASSETS			
Current:			
Cash and cash equivalents		$49,312	$505,941
Accounts receivable		800,307	379,366
Assets of discontinued operations	3	2,836	321,561
Transaction credits		11,455,770	9,538,364
Aeronotes	4	248,285	381,309
Prepaid expenses and sundry assets		290,017	249,510
		12,846,527	11,376,051
Long-term:			
Other asset	5	100,000	-
Property, plant and equipment	6	675,721	807,315
		775,721	807,315
TOTAL ASSETS		**$13,622,248**	**$12,183,366**
LIABILITIES			
Current:			
Loan payable	7	$3,713,842	$3,030,549
Accounts payable and accrued liabilities		3,102,374	2,617,970
Liabilities of discontinued operations	3	452,227	475,682
Non-convertible debentures payable	1b/8	-	2,620,705
Convertible debentures payable	1b/9	-	5,217,578
		7,268,443	13,962,484
Long-term:			
Non-convertible debentures payable	1b/8	2,665,000	-
Convertible debentures payable	1b/9	5,618,896	-
		8,283,896	-
SHAREHOLDERS' DEFICIENCY			
Capital Stock			
Class A preference shares		3,815	3,815
Common shares		24,106,281	24,106,281
		24,110,096	24,110,096
Contributed surplus	10	734,759	645,879
Equity portion of debentures	9	2,114,341	2,114,341
Warrants	8/9	374,554	374,554
Deficit		(29,263,841)	(29,023,988)
		(1,930,091)	(1,779,118)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY		**$13,622,248**	**$12,183,366**

(see accompanying notes)

Refinancing (note 1b)
Commitments and Contingencies - Taxation (note 14)

ADVANTEX MARKETING INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF PROFIT/(LOSS) AND COMPREHENSIVE PROFIT/(LOSS)
(unaudited – note 1a)

	Three Months Ended March 31		Nine months Ended March 31	
	2011	2010	2011	2010
	$	$	$	$
REVENUE	2,875,626	2,656,768	9,855,889	8,766,348
Direct expenses	988,195	798,539	3,044,483	2,661,398
GROSS PROFIT	1,887,431	1,858,229	6,811,406	6,104,950
OPERATING EXPENSES				
Selling and marketing	731,756	648,575	2,045,588	1,893,864
General and administrative	943,481	812,037	2,907,733	2,454,744
Stock-based compensation	76,880	18,000	88,880	48,289
	1,752,117	1,478,612	5,042,201	4,396,897
CONTRIBUTION FROM OPERATIONS AND PROFIT BEFORE AMORTIZATION AND INTEREST; CONTINUING OPERATIONS	135,314	379,617	1,769,205	1,708,053
Amortization of property, plant and equipment	78,672	133,291	350,436	322,044
Interest expense				
Stated interest expense – loan payable, non-convertible debentures, convertible debentures, and other	377,083	321,231	1,161,955	935,511
Accretion charge on debentures, and amortization of deferred financing charges	136,073	168,481	477,781	498,786
	513,156	489,712	1,639,736	1,434,297
PROFIT / (LOSS) AND COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD – CONTINUING OPERATIONS	**$(456,514)**	**$(243,386)**	**$(220,967)**	**$(48,288)**
PROFIT / (LOSS) FROM DISCONTINUED OPERATIONS	10,069	(32,258)	(18,886)	69,149
NET PROFIT / (LOSS) AND COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD	**$(446,445)**	**$(275,644)**	**$(239,853)**	**$20,861**
BASIC EARNINGS PER COMMON SHARE	**$0.00**	**$0.00**	**$0.00**	**$0.00**
DILUTED EARNINGS PER COMMON SHARE	**$0.00**	**$0.00**	**$0.00**	**$0.00**

(see accompanying notes)

ADVANTEX MARKETING INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF DEFICIT
(unaudited – note 1a)

	Three Months Ended March 31		Nine months Ended March 31	
	2011	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**
BALANCE AT THE START OF PERIOD	**(28,817,396)**	**(28,761,510)**	**(29,023,988)**	**(29,058,015)**
Net profit / (loss) for the period	(446,445)	(275,644)	(239,853)	20,861
BALANCE AT THE END OF PERIOD	**(29,263,841)**	**(29,037,154)**	**(29,263,841)**	**(29,037,154)**

(see accompanying notes)

ADVANTEX MARKETING INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF CASH FLOW
(unaudited – note 1a)

	Three Months Ended March 31		Nine months Ended March 31	
	2011	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**
OPERATING ACTIVITIES				
Net profit / (loss) for the period – continuing operations	$(456,514)	$(243,386)	$(220,967)	$(48,288)
Items not affecting cash				
Amortization of property, plant and equipment	78,672	133,291	350,436	322,044
Accretion charge on debentures	114,707	121,933	363,301	359,142
Amortization of deferred financing charges	21,366	46,548	114,480	139,644
Stock-based compensation	76,880	18,000	88,880	48,289
	(164,889)	76,386	696,130	820,831
Changes in non-cash working capital items				
Accounts receivable	(130,828)	28,896	(420,941)	(193,927)
Transaction credits	(1,764,331)	(325,820)	(1,917,406)	(1,346,086)
Prepaid expenses and sundry assets	75,554	53,580	(40,507)	(73,952)
Aeronotes	17,353	28,251	133,024	(474,548)
Accounts payable and accrued liabilities	224,057	(530,153)	484,404	(161,807)
	(1,578,195)	(745,246)	(1,761,426)	(2,250,320)
Cash provided by/(utilized in) operating activities	(1,743,084)	(668,860)	(1,065,296)	(1,429,489)
FINANCING ACTIVITIES				
Proceeds from draw of Loan payable	632,717	629,515	651,125	1,504,165
	632,717	629,515	651,125	1,504,165
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(86,011)	(157,806)	(218,842)	(319,042)
Investment in other asset	(100,000)	-	(100,000)	-
	(186,011)	(157,806)	(318,842)	(319,042)
MOVEMENT IN CASH AND CASH EQUIVALENTS DURING THE PERIOD – CONTINUING OPERATIONS	**(1,296,378)**	**(197,151)**	**(733,013)**	**(244,366)**
DISCONTINUED OPERATIONS	**(143,376)**	**279,395**	**276,384**	**397,488**
Cash and cash equivalents at the start of period	1,489,066	415,058	505,941	344,180
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**$49,312**	**$497,302**	**$49,312**	**$497,302**
Consists of:				
Cash	$44,312	$492,302	$44,312	$492,302
Term deposits	5,000	5,000	5,000	5,000
	$49,312	$497,302	$49,312	$497,302
ADDITIONAL INFORMATION				
Interest paid	$137,141	$156,026	$919,547	$767,840

(see accompanying notes)