



# ADVANTEX

## NEWS RELEASE

For Immediate Release

ADX: CNSX

### **Advantex Announces Completion of Debenture Refinancing**

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**Toronto, December 30, 2013** – Advantex Marketing International Inc. (“Advantex” or the “Company”), a leading specialist in marketing services industry, today announced that it has completed its planned refinancing (the “**Refinancing**”). The Company sold, by way of private placement, 5,159 units (each a “**Unit**”), at \$1,000 per Unit, comprised of (i) \$1,000 face value secured non-convertible debentures of Advantex (the “**New Debentures**”) bearing interest at 12% per annum and maturing on September 30, 2016 and (ii) 8,150 common shares in the capital of the Company. The amount refinanced was \$5.2 million.

“This refinancing will have a positive impact on shareholder value because we significantly reduced debt and the number of common shares on a fully diluted basis. The Company’s existing debentures of \$7.9 million consisting of two separate tranches of debentures (\$6.2 million and \$1.7 million) with 90.5 million common share warrants of the Company has been consolidated into one facility of \$5.2 million. The Company will benefit from a decrease in its future annual interest cost. The restructuring of the debentures has reduced the fully diluted common shares from 197.9 million to 149.5 million, a reduction of 48.4 million common shares,” said Kelly Ambrose, Advantex President and Chief Executive Officer.

The Company has used the proceeds of the private placement plus cash on 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 (collectively, the “**Existing Debentures**”). 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.

The Units were purchased by Trapeze Capital Corp. and Trapeze Asset Management Inc., on behalf of their respective managed accounts, the Company’s employees, executive officers and directors, and private investors.

As the Refinancing 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 Refinancing. 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 Refinancing will improve the financial position of Advantex and that the terms of the Refinancing are reasonable in the circumstances.

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

Advantex is a specialist in the marketing services industry. Advantex partners with CIBC and Aeroplan. On a combined basis, Advantex has contractual marketing access to more than five million Canadian consumers with above-average personal and household income. Advantex’s merchant partner base

currently consists of about 2,000 merchants operating 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 stores; home décor; automotive dealers, service centers; and tire dealerships; many of which are leaders in their respective categories.

Advantex is traded on the Canadian National Stock Exchange under the symbol "ADX". For additional information on Advantex, please visit [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 Company's repayment of Existing Debentures and the impact on shareholder value. Readers are cautioned not to place undue reliance on 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 materially include, but are not limited to, changes in Advantex's business including its on-going business and contractual relationships as well as general business, economic and competitive conditions relating to the industry sectors in which Advantex operates.*

*The statements in this news release are made as 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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