

**FORM 51-102F3**  
**Material Change Report**

**MATERIAL CHANGE REPORT UNDER SECTION 7.1(2) OR (3) OF  
NATIONAL INSTRUMENT NO. 51-102**

**Item 1.                    Reporting Issuer**

Advantex Marketing International Inc.  
491 Eglinton Avenue West, Third Floor  
Toronto, Ontario M5N 1A8

**Item 2.                    Date of Material Change**

A material change took place on June 30, 2005.

**Item 3.                    Press Release**

On July 4, 2005, a news release in respect of the material change was disseminated through Canada NewsWire, Canadian Disclosure Network..

**Item 4.                    Summary of Material Change**

The material change is described in the Company's press release attached hereto as Schedule "A", which press release is incorporated herein.

**Item 5.                    Full Description of Material Change**

No information other than that provided in Item 4 above is presently available.

**Item 6.                    Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

The report is not being filed on a confidential basis.

**Item 7.                    Omitted Information**

No information has been omitted.

**Item 8.                    Executive Officer**

Allison L. Smith, President

**Item 9.                    Date of Report**

DATED at Toronto, in the Province of Ontario, this 5<sup>th</sup> day of July, 2005.

Schedule "A"



ADVANTEX

NEWS RELEASE

**ADVANTEX COMPLETES SALE OF SAMPLEX GROUP**

For Immediate Release  
ADX: TSX

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**Toronto, July 4, 2005**, - Advantex Marketing International Inc. (TSX:ADX) announced today that it has completed the sale of its Samplex Division ("Samplex") by way of asset sale, for approximately \$3,000,000 subject to final adjustment. Samplex was purchased by a newly formed company (the "Purchaser") headed by Todd Blair, the former General Manager of Samplex.

Under the terms of the agreement, the Purchaser is acquiring substantially all of the assets of Samplex including accounts receivable and inventory, and is assuming certain liabilities of Samplex including accounts payable and accrued liabilities.

"The completion of this transaction is an important step for the future development of both Advantex and Samplex," said G. Randall Munger, Chairman and Chief Executive Officer of Advantex. "Separating the two businesses enables each to become more focussed and grow in its own right. As founder of Samplex, I am proud of its legacy and look forward to its continued success under Todd Blair's leadership. I would like to take this opportunity to publicly thank all of the Samplex staff for their hard work and contribution over the years and wish them the very best with their new company."

"Samplex is an established leader in the paid distribution of product samples, a tribute to the tremendous effort put forth by the Samplex team over the years," said Todd Blair, President, Samplex Marketing Solutions Corporation. "Over the past twelve months, we have implemented radical process improvement measures, culminating in a redefinition of our value proposition. We are emerging on our own in a strong strategic position, with a singular line of business focus, allowing for increased customer service, penetration and growth. I would like to thank Randall Munger and Allison Smith for their guidance and support during our time together and wish them continued success with Advantex."

Selling Samplex is the first step in the strategic plan to enhance Advantex's leadership role in the loyalty marketing sector. Advantex Management and Board of Directors are evaluating a number of strategic initiatives designed to deliver improved value for shareholders, strategic partners, employees and all other stakeholders.

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## **Advantex Loyalty Update**

Plans are in place for Advantex to introduce a Merchant Funding Program, expanding the market for the Company's products and services among small to mid-sized merchants. The Merchant Funding Program is a source of working capital for merchants in connection with the Company's comprehensive customer loyalty marketing program. Under the Merchant Funding Program, participating merchants receive cash advances based on future credit card sales. The Merchant Funding Program improves gross margins for Advantex when combined with its loyalty marketing programs.

Advantex's Online Shopping Mall business is expected to grow as customer enrolment and shopping volumes climb and new malls are added. The marketing audience for the online shopping malls currently consists of approximately 20 million active frequent flyer members, and over 250 participating national brand and boutique e-retailers. Continued improvements in fee rates earned and increased consumer purchasing are expected.

A new Online Shopping Mall platform developed over the past year will increase the Company's speed to market for new customized mall programs and provides greater flexibility in creating and managing special promotions, both of which provide the Company with important competitive advantages.

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

*Advantex Marketing International Inc. is a leading loyalty marketing company, specializing in merchant-based customer loyalty and rewards programs. Advantex programs build new and repeat business for participating merchants from the most desirable customers of leading North American companies. The Company offers a comprehensive range of turn-key marketing services, including: strategic planning; program design, development and execution; multi-media communications; Internet and database services; data capture and award processing interfaces; analytics and reporting; creative design and production; and customer service. Advantex loyalty partners include CIBC, United Mileage Plus, Delta Air Lines, The New York Times, Alaska Airlines, US Airways, and other major North American corporations, as well as a growing list of restaurants, retailers, golf courses, small inns and resorts. Advantex is a public company, traded on the Toronto Stock Exchange under the symbol "ADX". For additional information on Advantex, please visit [www.advantex.com](http://www.advantex.com).*

- 30 -

For further information please contact:

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Todd Blair

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