

MARKET RELEASE

12 January 2011

The Reject Shop Limited

TRADING HALT

The securities of The Reject Shop Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Friday, 14 January 2011 or when the announcement is released to the market.

Security Code: TRS

Kate Kidson
Principal Adviser, Listings (Melbourne)

EVERYONE'S A WINNER AT

THE REJECT SHOP

12 January 2011

Australian Securities Exchange Limited Manager, Company Announcements Level 4, 20 Bridge Street SYDNEY, NSW 2000

Dear Sir,

-Of befsonal use only

The Reject Shop Limited – Request for Trading Halt

By order of the Board, and in accordance with Listing Rule 17.1, The Reject Shop Limited would like to request a trading halt in its securities on the following basis:

- (i) The company's operations will be adversely impacted as a result of the floods in Queensland and in particular the impact of the floods upon the operation of our Ipswich based Distribution Centre which currently services 90 of our portfolio of 211 stores;
- (ii) We require the suspension to last no more than 48 hours which should enable the business enough time to assess the impact of the floods on the business and in particular on the operation of the Distribution Centre;
- (iii) Once we have fully assessed and understood the impact on our operations, we will update the market immediately at which time we believe trading should be resumed;
- (iv) We are unaware of any reasons why the trading halt should not granted.

Darren Briggs

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Chief Financial Officer & Company Secretary