

EVERYONE'S A WINNER AT

THE REJECT SHOP

ASX/Media Release

THE REJECT SHOP EXPANDS IN NORTH QUEENSLAND

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The Reject Shop Limited has crystallised its North Queensland expansion strategy by announcing its second distribution centre will be located in Ipswich.

A ten year lease with Walker Corporation has been signed for a 25,000sqm facility where construction will commence in March 2009 and is likely to be operational by July 2010. Once in operation, the new distribution centre will employ 150 people.

Mr Gerry Masters, Managing Director of The Reject Shop said: "Queensland is a central plank of our future growth strategy and locating our new distribution centre in Ipswich will be the cornerstone of that strategy.

"We were attracted by the strong reputation Ipswich enjoys as a good place to do business as well as the strong labour market in the region. With our Queensland store network currently spanning from Burleigh Heads to Bundaberg the distribution centre will facilitate our expansion from Rockhampton to Cairns.

"Locating our distribution centre in Queensland will enable us to better service the many Queenslanders who shop in our stores each year, providing them with great value through our exciting product range," he said.

The Reject Shop opened its first store in Queensland in 2005, and now operates 16 stores across the state. The Reject Shop operates 158 stores nationwide with plans to open 20 stores annually with significant growth in Queensland planned for the next 5 years. The Reject Shop currently employs more than 230 staff in Queensland with over 2 million Queensland shoppers having visited local stores in the last 12 months.

The Reject Shop's environmentally friendly Ipswich distribution centre will comprise of a two storey office block and a high tech distribution centre that will include computerised conveyor/sortation equipment, multi level pick modules and standard pallet racking to enhance efficiency of stock movements. Over 60 percent of construction waste will be re-used or recycled, all fixtures will be no less than AAA rated and rain water harvesting will be undertaken.

About The Reject Shop

The Reject Shop is an Australian discount variety retailer servicing a broad range of value-conscious consumers attracted to low prices, convenient shopping locations and the opportunity to purchase a bargain.

The Reject Shop offers a wide variety of general consumer merchandise, with particular focus on everyday needs (such as toiletries, cosmetics, homewares, personal care products, hardware, basic furniture, household cleaning products, kitchenware, confectionery and snack food and lifestyle and seasonal merchandise such as seasonal gifts, cards and wrapping, toys, leisure items and home decorations).

Further information can be obtained from the Company's website at www.rejectshop.com.au.

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