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FACSIMILE TRANSMISSION

TO:

ORGANISATION: Australian Stock Exchange

FACSIMILE NO.: 1300 135 638

DATE: 27 January 2011

FROM: John Buchanan

NO. OF PAGES: 4 (including this page)

SUBJECT:

MESSAGE:

Dear Sir/Madam

Please find following a Form 605 Notice of ceasing to be a substantial holder.

Should you have any queries, please do not hesitate to contact me.

Yours sincerely



John A Buchanan
Partner

Liability limited by a scheme approved under Professional Standards Legislation

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Form 605

Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

To Company Name/Scheme THE REJECT SHOP LIMITED

ACN/ARSN ABN: 33 006 122 676

1. Details of substantial holder(1)

Name SEE ANNEXURE 1

ACN/ARSN (if applicable) _____

The holder ceased to be a substantial holder on 10/01/11

The previous notice was given to the company on 23/07/10

The previous notice was dated 23/07/10

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to change(5)	Class (6) and number of securities affected	Person's votes affected
08/05/10 to 10/01/11	REFER ANNEXURE 2	ON MARKET SALES AND PURCHASES			

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Grahger Capital Investments Pty Ltd	Level 2/306 Little Collins Street, Melbourne VIC 3000
Grahger Capital Securities Pty Ltd	Level 2/306 Little Collins Street, Melbourne VIC 3000
Little Blue Porsche Pty Ltd	Level 2/306 Little Collins Street, Melbourne VIC 3000

Signature

print name JOHN BUCHANAN capacity SECRETARY

sign here  date 27 / 01 / 2011

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GRAHGER - GROUP INTERESTS IN THE REJECT SHOP (TRS)

**C/ - EVANS BUCHANAN
LEVEL 2
306 LITTLE COLLINS STREET
MELBOURNE VIC 3000**

ANNEXURE 1

GROUP MEMBER	ACN
1 Grahger Capital Securities Pty Ltd	122 523 193
2 Grahger Capital Investment Pty Ltd	103 733 473
3 Little Blue Porsche Pty Ltd <G C Steele Supern Fund>	
4 Little Blue Porsche Pty Ltd	085 898 148

This is Annexure 1 of one page referred to in
Form 605 Notice of ceasing to be a substantial holder



27/1/11

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DATE OF CHANGE	PERSON WHOSE RELEVANT INTEREST CHANGED	NATURE OF CHANGE	CONSIDERATION GIVEN IN RELATION TO CHANGE	NO. OF SHARES	CLASS OF SHARES	PERSON'S VOTES AFFECTED
			CASH NON CASH			
10/05/2010	Grahger Capital Securities Pty Ltd	On market purchase	\$110,610.03	7,000	Ordinary fully paid shares	0.03%
10/05/2010	Little Blue Porsche Pty Ltd <G C Steele Super f	On market purchase	\$15,852.50	1,000	Ordinary fully paid shares	0.00%
11/05/2010	Grahger Capital Securities Pty Ltd	On market purchase	\$49,508.91	3,000	Ordinary fully paid shares	0.01%
20/05/2010	Grahger Capital Investment Pty Ltd	On market purchase	\$304,501.60	20,000	Ordinary fully paid shares	0.08%
20/05/2010	Grahger Capital Securities Pty Ltd	On market purchase	\$76,094.23	5,000	Ordinary fully paid shares	0.02%
17/06/2010	Grahger Capital Investment Pty Ltd	On market purchase	\$5,083,942.50	300,000	Ordinary fully paid shares	1.16%
17/06/2010	Grahger Capital Investment Pty Ltd	On market purchase	\$2,033,577.00	120,000	Ordinary fully paid shares	0.46%
17/06/2010	Grahger Capital Investment Pty Ltd	On market sale	(\$5,056,057.50)	(300,000)	Ordinary fully paid shares	-1.16%
17/06/2010	Grahger Capital Investment Pty Ltd	On market sale	(\$2,022,423.00)	(120,000)	Ordinary fully paid shares	-0.46%
17/06/2010	Grahger Capital Securities Pty Ltd	On market purchase	\$5,083,942.50	300,000	Ordinary fully paid shares	1.16%
17/06/2010	Grahger Capital Securities Pty Ltd	On market purchase	\$2,033,577.00	120,000	Ordinary fully paid shares	0.46%
17/06/2010	Grahger Capital Securities Pty Ltd	On market sale	(\$5,056,057.50)	(300,000)	Ordinary fully paid shares	-1.16%
17/06/2010	Grahger Capital Securities Pty Ltd	On market sale	(\$2,022,423.00)	(120,000)	Ordinary fully paid shares	-0.46%
06/07/2010	Grahger Capital Securities Pty Ltd	On market sale	\$64,202.39	4,000	Ordinary fully paid shares	0.02%
09/07/2010	Little Blue Porsche Pty Ltd <G C Steele Super f	On market purchase	\$127,247.40	8,000	Ordinary fully paid shares	0.03%
16/07/2010	Little Blue Porsche Pty Ltd <G C Steele Super f	On market purchase	\$63,635.13	4,000	Ordinary fully paid shares	0.02%
19/07/2010	Little Blue Porsche Pty Ltd <G C Steele Super f	On market purchase	\$113,108.00	7,000	Ordinary fully paid shares	0.03%
20/07/2010	Grahger Capital Investment Pty Ltd	On market purchase	(\$624,400.00)	(40,000)	Ordinary fully paid shares	-0.15%
20/07/2010	Grahger Capital Securities Pty Ltd	On market purchase	\$624,400.00	40,000	Ordinary fully paid shares	0.15%
22/07/2010	Little Blue Porsche Pty Ltd	On market purchase	\$159,664.36	10,000	Ordinary fully paid shares	0.04%
30/07/2010	Grahger Capital Securities Pty Ltd	On market purchase	\$159,493.42	10,000	Ordinary fully paid shares	0.04%
30/07/2010	Grahger Capital Investment Pty Ltd	On market sale	(\$1,741,160.83)	(110,000)	Ordinary fully paid shares	-0.42%
30/07/2010	Grahger Capital Securities Pty Ltd	On market sale	(\$1,920,771.47)	(120,000)	Ordinary fully paid shares	-0.46%
19/10/2010	Little Blue Porsche Pty Ltd <G C Steele Super f	On market purchase	\$161,821.15	10,000	Ordinary fully paid shares	0.04%
04/11/2010	Grahger Capital Investment Pty Ltd	On market purchase	\$356,510.11	20,000	Ordinary fully paid shares	0.08%
05/11/2010	Little Blue Porsche Pty Ltd <G C Steele Super f	On market purchase	\$87,192.40	4,788	Ordinary fully paid shares	0.02%
30/11/2010	Grahger Capital Securities Pty Ltd	On market sale	\$97,043.65	(7,000)	Ordinary fully paid shares	-0.03%
02/12/2010	Grahger Capital Securities Pty Ltd	On market sale	(\$119,525.88)	(7,000)	Ordinary fully paid shares	-0.06%
03/12/2010	Grahger Capital Securities Pty Ltd	On market sale	(\$47,081.70)	(2,750)	Ordinary fully paid shares	-0.01%
07/12/2010	Grahger Capital Securities Pty Ltd	On market sale	(\$218,559.22)	(12,761)	Ordinary fully paid shares	-0.05%
08/12/2010	Grahger Capital Securities Pty Ltd	On market sale	(\$212,530.74)	(12,488)	Ordinary fully paid shares	-0.05%
10/12/2010	Little Blue Porsche Pty Ltd <G C Steele Super f	On market purchase	\$259,998.43	15,000	Ordinary fully paid shares	0.06%
06/01/2011	Grahger Capital Securities Pty Ltd	On market sale	(\$405,881.23)	(31,500)	Ordinary fully paid shares	-0.12%
07/01/2011	Grahger Capital Securities Pty Ltd	On market sale	(\$696,715.73)	(49,609)	Ordinary fully paid shares	-0.19%
10/01/2011	Grahger Capital Securities Pty Ltd	On market sale	(\$48,005.74)	(3,739)	Ordinary fully paid shares	-0.01%
10/01/2011	Grahger Capital Securities Pty Ltd	On market sale	(\$627,380.53)	(48,891)	Ordinary fully paid shares	-0.19%
			(\$3,948,163.43)	(39,739)		-0.153%

This is Annexure 2 of one page referred to in Form 605 Notice of ceasing to be a substantial holder

Evans Buchanan
 27/1/11