

**Notice of Annual General Meeting
The Reject Shop Limited ABN 33 006 122 676**

The Annual General Meeting ("AGM") of The Reject Shop Limited ("Company") will be held at the Savoy Hotel, Spencer Room, 630 Little Collins Street, Melbourne, at 3.30pm (Melbourne time) **Wednesday, 16 October 2019.**

Agenda

1. Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report, Directors' Report and Independent Audit Report of the Company for the financial year ended 30 June 2019.

Note: There is no requirement for shareholders to approve these reports.

2. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"That the Remuneration Report of the Company for the financial year ended 30 June 2019 be adopted."

Note: A voting exclusion statement applies to these resolutions. The vote on this resolution is advisory only and does not bind the directors or the Company.

3. Election of a Director – Mr Jack Hanrahan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Jack Hanrahan, who will retire at the close of the meeting in accordance with article 9.8 of the Company's Constitution and being eligible, be elected as a director of the Company."

4. Election of a Director – Mr Steven Brian Fisher

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Steven Brian Fisher, who will retire at the close of the meeting in accordance with article 9.8 of the Company's Constitution and being eligible, be elected as a director of the Company."

5. Election of a Director – Mr Zachary Joel Midalia

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Zachary Joel Midalia, who will retire at the close of the meeting in accordance with article 9.8 of the Company's Constitution and being eligible, be elected as a director of the Company."

By Order of the Board



Michael Freier
Company Secretary
13 September 2019

EXPLANATORY NOTES

These Explanatory Notes have been prepared to help shareholders understand the business to be considered at the AGM and form part of the Notice of Meeting.

Item 1 Financial Report, Directors' Report and Auditor's Report

The Financial Report, Directors' Report and Independent Audit Report for the financial year ended 30 June 2019 will be laid before the AGM. The annual report is available on the website at <https://www.rejectshop.com.au/aboutus/investorinformation/financialreport>

During this item of business, there will be an opportunity for shareholders to ask questions and comment on the Financial Report, Directors' Report and Independent Audit Report for the financial year ended 30 June 2019.

Shareholders will also be provided a reasonable opportunity to ask questions or make comments on the management of the Company.

Item 2 Adoption of Remuneration Report

Section 250R(2) of the Corporations Act requires the Company to put a resolution to the AGM for adoption of its Remuneration Report.

The vote on the resolution will be advisory only and will not bind either the directors or the Company.

The Remuneration Report is set out on pages 24 to 38 of The Reject Shop Limited 2019 Annual Report. The Remuneration Report:

- explains the Board's policies in relation to the nature and level of remuneration paid to directors, secretary, and executives;
- provides a summary of performance conditions;
- sets out remuneration details for each director and for the key management personnel and other officers of the Company; and
- makes clear that the basis for remunerating non-executive directors is distinct from the basis for remunerating executives, including executive directors.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the AGM.

The Board unanimously recommends that shareholders vote in favour of Item 2.

Voting Exclusion Statement – Item 2

The Company will disregard any votes cast on Item 2:

- by or on behalf of a person who is a member of the key management personnel ("KMP") named in the Remuneration Report for the year ended 30 June 2019 or their closely related parties (regardless of the capacity in which the vote is cast); or
- as proxy by a person who is a member of the KMP on the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote:

- in accordance with the directions on the proxy form; or
- by the person chairing the meeting, in accordance with an express authorisation in the proxy form to exercise the proxy even though Item 2 is connected with the remuneration of the KMP.

Election of Directors

Items 3 – 5 relate to the election of directors who have been appointed since the last AGM. As previously announced to the market, Mr William (Bill) Stevens who has held the role of Chairman since 2010, will be retiring, by rotation, at the conclusion of the AGM and will not be seeking re-election.

Appointment of Chairman

As announced to shareholders and the market, on 6 September 2019, the Board have elected Mr Steven Fisher, whose details are set out on page 7 of the 2019 Annual Report, as Chairman on and from 1 October 2019.

Item 3 Election of a Director – Mr Jack Hanrahan

Mr Hanrahan having been appointed as a director in December 2018 prior to this AGM is required to retire at the close of this meeting in accordance with the Constitution and, being eligible, offers himself for election.

Appropriate background checks were completed before Mr Hanrahan was appointed to the Board.

Mr Hanrahan is an independent, non-executive director, chair of each of the Remuneration Committee and Nominations Committee, and also a member of the Audit and Risk Committee.

Mr Hanrahan has provided the following information in support of his election:

Mr Hanrahan has over 30 years of experience across various retail sectors in a variety of senior executive roles. Mr Hanrahan's broad expertise in retail was developed through a range of retailers, including heading up the Retailer Relations section at Westfield. Mr Hanrahan has academic qualifications from the Graduate School of Business at Macquarie University, and he has also written a textbook "Retail Strategy Planning & Control".

Mr Hanrahan is a non-executive director of Invigor Group Limited (ASX IVO).

The Board (with Mr Hanrahan abstaining) unanimously recommends that shareholders vote in favour of this Item 3 for the election of Mr Hanrahan.

Item 4 Election of a Director – Mr Steven Brian Fisher

Mr Fisher having been appointed as a director in June 2019 prior to this AGM is required to retire at the close of this meeting in accordance with the Constitution and, being eligible, offers himself for election.

Appropriate background checks were completed before Mr Fisher was appointed to the Board.

Mr Fisher is an independent, non-executive director, member of each of the Remuneration Committee, Nominations Committee and Audit and Risk Committee.

Mr Fisher has provided the following information in support of his election:

Mr Fisher has more than 30 years experience in general management positions in the wholesale consumer goods industry and was the former Managing Director of the Voyager Group. Prior to entering the consumer goods industry Mr Fisher was a practicing chartered accountant having qualified with a Bachelor of Accounting degree. Mr Fisher is the current Chairman of The Breville Group (ASX BRG) and has held the position of Chairman since 2012.

Mr Fisher has been nominated and appointed, under a nominee director protocol agreed with Allensford Pty Ltd in its capacity as trustee for the Allensford Unit Trust ("Allensford"), a substantial shareholder that is ultimately controlled by the Kin Group Pty Ltd ("Kin Group"). The protocol sets out the agreed approach to appointment of two nominee directors, the management of potential and actual conflicts of interest, including information sharing, and dealing in shares of the Company.

The Board has considered Mr Fisher's independence in light of the criteria contained on page 12 of the 2019 Annual Report and satisfied itself that Mr Fisher is not associated with Allensford or Kin Group. The Board has determined that Mr Fisher is independent and that his nomination by a substantial shareholder does not materially interfere with his capacity to bring an independent judgement to bear on issues before the Board.

The Board (with Mr Fisher abstaining) unanimously recommends that shareholders vote in favour of this Item 4 for the election of Mr Fisher.

Item 5 Election of a Director – Mr Zachary Joel Midalia

Mr Midalia having been appointed as a director in June 2019 prior to this AGM is required to retire at the close of this meeting in accordance with the Constitution and, being eligible, offers himself for election.

Appropriate background checks were completed before Mr Midalia was appointed to the Board.

Mr Midalia is a **non**-independent, non-executive director, member of each of the Remuneration Committee and Audit and Risk Committee.

Mr Midalia has provided the following information in support of his election:

Mr Midalia has experience working nationally and internationally with some of the most respected investment firms and entities. He has led critical investment decisions across a broad range of sectors in both the public and private markets and been a Non-Executive Director representing shareholder interests on a range of boards. Currently he is the Investment Director of the Melbourne head-quartered Kin Group with responsibility for investments across retail, real estate and consumer businesses. Mr Midalia holds a Master of Business Administration with Dean's Honours from Columbia Business School and a Bachelor of Commerce from University of Sydney. Mr Midalia joined the Board of The Reject Shop in June 2019 as a representative of major shareholder, Kin Group.

Mr Midalia has been nominated and appointed, under a nominee director protocol agreed with Allensford (please see above for further details of the protocol).

Mr Midalia is not considered independent by virtue of his other commercial arrangements with Allensford and the Kin Group.

The Board (with Mr Midalia abstaining) unanimously recommends that shareholders vote in favour of this Item 5 for the election of Mr Midalia.

SHAREHOLDER INFORMATION

PROXIES

If you are unable to attend and vote at the meeting and wish to appoint a person who will be attending as your proxy, please complete the enclosed proxy form. This form must be received by the Company's share registry (the details for which are included on page 9) by 3.30pm (Melbourne time) Monday, 14 October 2019 at the latest.

The completed proxy form may be lodged online, using a mobile device, or by post using the reply-paid envelope, or by delivery or facsimile to the Company's share registry (see details below or on proxy form).

1. A shareholder entitled to attend and vote at this AGM is entitled to appoint not more than two proxies (who need not be members of the Company) to attend and vote for the member at the AGM.
2. A shareholder who is entitled to cast two or more votes may appoint two proxies and specify the proportion of votes each proxy is appointed to exercise.
3. If the shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the shareholders' votes each proxy may exercise, each proxy may exercise half of the votes. A single proxy exercises all voting rights.
4. The form of proxy must be signed by the shareholder or the shareholder's attorney duly authorised in writing or if the shareholder is a company or body corporate, in accordance with its Constitution or otherwise in accordance with the Corporations Act, or by its duly authorised attorney or representative. If an attorney is to attend the meeting, please submit the relevant certified power of attorney for noting and return. If a representative of the company or body corporate is to attend the AGM the appropriate Letter of Representation should be produced prior to admission.
5. In the case of joint holders, the proxy form must be signed by all shareholders.
6. Proxies will only be valid and accepted by the Company and / or the share registry if they are signed and forwarded to the Company at the address or facsimile number quoted below so as to be received not later than 48 hours before the meeting.

APPOINTMENT OF THE CHAIRMAN OR OTHER KEY MANAGEMENT PERSONNEL ("KMP") AS YOUR PROXY

If you intend to appoint any Director or other KMP or their Closely Related Parties, other than the Chairman, as your proxy, you should direct your proxy how to vote on Resolution 2 (Adoption of Remuneration Report) by either marking "For", "Against" or "Abstain" on the proxy form for that item of business. If you do not direct such proxy how to vote on this Resolution, your proxy will not be able to vote an undirected proxy and your vote will not be counted. This does not apply to the Chairman, who is able to vote undirected proxies in accordance with the voting intentions set out below.

HOW THE CHAIRMAN OF THE MEETING INTENDS TO VOTE UNDIRECTED PROXIES

You should note that if you appoint the Chairman as your proxy, or the Chairman is appointed your proxy by default, you will be taken to authorise the Chairman to exercise all undirected proxies, even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP. The Chairman currently intends to vote all undirected proxies on, and in favour of, all items of business. If there is a change on how the Chairman intends to vote undirected proxies, the Company will make an announcement to the market.

You can appoint the Chairman as your proxy and direct the Chairman how to vote on Resolution 2 by marking your voting directions on the proxy form before you return it.

CORPORATE REPRESENTATIVES

A company or body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the AGM. Unless it has previously been given to the Company, the representative should bring evidence of their appointment to the AGM, together with any authority under which it is signed. The appointment must comply with section 250D of the Corporations Act.

ATTORNEYS

A shareholder may appoint an attorney to vote on their behalf. To be effective for the AGM, the instrument effecting the appointment (or a certified copy of it) must be received by the deadline for receipt of proxy forms (see above), being no later than 48 hours before the AGM.

ADMISSION TO MEETING

Shareholders who will be attending the AGM, and who will not be appointing a proxy, are requested to bring the proxy form to the meeting to help speed admission.

Shareholders who do not plan to attend the AGM are encouraged to complete and return the proxy for each of their holdings of the Company's shares.

SCRUTINEER

The Company's external auditor, PricewaterhouseCoopers will act as scrutineer for any polls that may be required at the AGM.

QUESTIONS AND COMMENTS BY SHAREHOLDERS AT THE MEETING

In accordance with the Corporations Act, a reasonable opportunity will be given to shareholders to ask questions about or make comments on the management of the Company at the AGM. In addition, shareholders may also submit any written questions for the Board (Attn: Company Secretary):

- by email to investorrelations@rejectshop.com.au; or
- by facsimile to +61 (3) 9372 1576; or
- to the registered office of the Company at 245 Racecourse Rd Kensington, Vic 3031, no later than 5.00pm (Melbourne time) on Wednesday, 9 October 2019.

The Chairman will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the meeting. However, there may not be sufficient time available at the meeting to address all of the questions raised. Please note that individual responses will not be sent to shareholders unless the Chairman considers it appropriate to do so.

Similarly, a reasonable opportunity will be given to shareholders to ask the Company's external auditor, PricewaterhouseCoopers, questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditors report;
- (c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to PricewaterhouseCoopers if the question is relevant to the content of PricewaterhouseCoopers audit report or the conduct of its audit of the Company's financial report for the period ended 30 June 2019.

Relevant written questions for PricewaterhouseCoopers must be received no later than 5.00pm (Melbourne time) on Wednesday, 9 October 2019. A list of those relevant written questions will be made available to shareholders attending the AGM. PricewaterhouseCoopers will either answer the questions at the AGM or table written answers to them at the AGM. If written answers are tabled at the AGM, they will be made available to shareholders as soon as practicable after the AGM.

Please send any written questions for PricewaterhouseCoopers (Attn: Company Secretary):

- by email to investorrelations@rejectshop.com.au; or
- by facsimile to +61 (3) 9372 1576; or
- to the registered office of the Company at 245 Racecourse Rd Kensington, Vic 3031, no later than 5.00pm (Melbourne time) on Wednesday, 9 October 2019.

The Company has determined in accordance with Corporations Regulations 7.11.37 that for the purpose of voting at the AGM, shares will be taken to be held by those persons recorded on the Company's register as at 7.00pm (Melbourne Time) on Monday, 14 October 2019.

SHARE REGISTRY

The Company's share register is maintained at the following address:

	Link Market Services Limited
	Level 12, 680 George St
	Sydney, NSW 2000
Postal Address:	Locked Bag A14
	Sydney South NSW 1235
Telephone:	1300 554 474
Facsimile Number:	(02) 9287 0309
Website:	www.linkmarketservices.com.au



ONLINE

www.linkmarketservices.com.au



BY MAIL

The Reject Shop Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

PROXY FORM

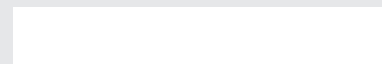
I/We being a member(s) of The Reject Shop Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY



the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy



or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **3:30pm (Melbourne time) on Wednesday, 16 October 2019 at The Savoy Hotel, Spencer Room, 630 Little Collins Street, Melbourne VIC 3000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 2: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 2, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

For Against Abstain*

2 Adoption of Remuneration Report (advisory only)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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3 Election of a Director – Mr Jack Hanrahan

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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4 Election of a Director – Mr Steven Brian Fisher

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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5 Election of a Director – Mr Zachary Joel Midalia

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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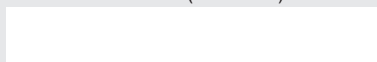
* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)



Joint Shareholder 2 (Individual)



Joint Shareholder 3 (Individual)



Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **3:30pm (Melbourne time) on Monday, 14 October 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

The Reject Shop Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**