



MARKET RELEASE

7 January 2009

Brainytoys Limited

SUSPENSION FROM OFFICIAL QUOTATION

The securities of Brainytoys Limited (the "Company") will be suspended from quotation immediately, at the request of the Company, pending the release of an announcement in relation to the Company's funding arrangements.

Security Code: BRT
 BRTO

A handwritten signature in black ink, appearing to read 'M. Foy'.

Matthew Foy
Issuers Adviser



Mr Peter Tranter
Adviser
ASX Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Mr Tranter

VOLUNTARY SUSPENSION

Brainytoys Limited (ASX Code: BRT) requests a voluntary suspension on the trading of its securities effective immediately. The reasons for the suspension are as follows:

- the Company is in discussions with various parties in relation to arrangements for further funding to pursue the Company's business and acquisition plans;
- negotiations are being conducted with certain prospective purchasers of the Company's assets.

The Company is unsure when either further funding will be available to it or when/if a purchaser of its assets will be located. However, the Company will keep the market informed of any developments.

BRT is not aware of any reason why the suspension should not be granted.

BRT is not aware of any other information necessary to inform the market about the suspension.

Should you have any queries regarding the above request, I will be happy to discuss them with you.

Yours faithfully

Graham Nicol
Company Secretary

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