APPENDIX 4D

The information contained in this report is for the half-year ended 31 December 2008 and the previous corresponding period ended 31 December 2007 for Runge Limited and controlled entities.

This report has been compiled in accordance with IFRS and is presented in Australian dollars. The report has been subjected to independent review and is not subject to qualification.

Results for Announcement to the Market

				$A'000
Revenues from ordinary activities	up	43%	to	43,906
Net profit for the period attributable to members	up	49%	to	4,666

Dividend Information

	Amount per Share (cents)	Franked Amount per Share (cents)
Final 2008 dividend per share (paid 6 October 2008)	1.5	1.5
Interim 2009 dividend per share (to be paid 7 April 2009)	2.0	2.0
Interim Dividend Dates		
Ex dividend date		10 March 2009
Record date		16 March 2009
Payment date		7 April 2009

	31 Dec 2008	31 Dec 2007
Net tangible assets per security (cents)	11.5	(4.9)

Details of entities over which control has been gained or lost during the period

Runge Asia Limited (Hong Kong) - registered 5 October 2008. (Dormant until February 2009)

Additional Appendix 4D disclosure requirements can be found in the notes to this half-year financial report.

This statement was approved by the Board of Directors.

HALF YEAR FINANCIAL REPORT

Period Ended 31 December 2008

RUNGE LIMITED

CONTENTS

CORPORATE DIRECTORY

Directors

Mr Vince Gauci
Chairman

Mr Anthony Kinnane
Managing Director

Mr Christian Larsen
Executive Director

Dr Ian Runge
Non-Executive Director

Mr Neil Hatherly
Non-Executive Director

Mr Ross Walker
Non-Executive Director

Chief Financial Officer and Joint Company Secretary

Ms Julia Sloman

Group General Counsel and Joint Company Secretary

Mr Ken Lewis

Principal Registered Office in Australia

Level 12, 333 Ann Street
Brisbane QLD 4000

Ph: +617 3100 7200
Fax: +617 3100 7297

Auditor

PKF
Level 6, 10 Eagle Street
Brisbane QLD 4000

Share Registry

Computershare Investment Services Pty Ltd
Level 19, 307 Queen Street
Brisbane QLD 4000

Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited.

DIRECTORS' REPORT – HALF YEAR

The directors present their report together with the consolidated interim financial report for the half year ended 31 December 2008 and the review report thereon.

Directors

The directors of the Company at any time during or since the end of the period are:

Non-Executive

Mr Vince Gauci - *Chairman*

Dr Ian Runge

Mr Ross Walker

Mr Neil Hatherly

Executive

Mr Anthony Kinnane - *Managing Director*

Mr Christian Larsen - *Acting Managing Director*

Review of Operations

Runge Limited has again delivered a strong financial performance and continued growth.

Revenue for the six months ended 31 December 2008 was up 43% to $43.9 million (2007: $30.7 million).

Net profit after tax also increased, up 52% to $4.7 million (2007: $3.1 million). This result is consistent with the budget which was used as the basis of the IPO prospectus forecast.

The increase in net profit after tax included strong underlying organic growth of all businesses and a full period contribution of the GeoGAS and ResEval acquisitions.

An interim dividend of 2 cents per share fully franked has been declared, consistent with Runge's dividend policy.

In mid-September 2008 financial markets in Australia and around the world suffered substantial upheaval, which continues. This decline flowed into the resources sector resulting in further falls in commodity prices. We are monitoring these changes closely. Lower commodity prices have resulted in mining companies decreasing exploration spend, revising or curtailing expansion plans, rationalising existing production, and instituting changes to operations for more efficiency.

This shift in focus for mining companies has resulted in changes to demand for Runge's services and technology.

As reported at the 2008 AGM, Runge has experienced deferral of large software license sales, resulting in software sales revenue decreasing by 31% compared to the corresponding period. However, at the same time there has been a significant increase in demand for consulting services, with consulting revenue increasing by 55%.

Runge has been established for over 30 years, and this type of adjustment in demand and sales mix is similar to our previous experience in times of rapid economic change and uncertainty. The initial industry response has been the deferral of software capital expenditure and an increase in activity related to understanding the impacts of change on operations and projects.

As we move through the cycle, we are now seeing some softening of demand for mining consulting services and a rebound in software sales of our traditional desktop products. We are observing the early stages of this trend through re-engagement on large software projects (exceeding $1 million) targeted at achieving mine efficiencies.

This interaction of software and consulting is a core capability of Runge that allows the company to adjust to these changes in demand patterns.

DIRECTORS' REPORT – HALF YEAR

Review of Operations (Continued)

The global crisis is not affecting all commodities and all geographic markets equally. Our global network of offices allows us to capture the opportunities from high demand segments: for example, we are experiencing high demand from the gold industry throughout the world and from domestic energy in North America and South Africa. Conversely, nickel projects throughout the world are being shelved and demand for our services in this sector has reduced accordingly.

The company is actively focused on cost reduction initiatives within the business.

Investments for the future

In July 2008, Runge moved into new premises in Brisbane. We now have the capacity for future expansion of staff numbers and increased scope to pursue new business opportunities.

We have upgraded our IT back office infrastructure supporting the global group.

In December 2008 we entered into contracts to upgrade the company's enterprise resource planning system to SAP. This system will be operational early in the 2010 financial year.

Audit Independence

The lead auditor's independence declaration is set out on page 4 and forms part of the directors' report for the half year ended 31 December 2008.

Rounding Off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial reports and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors:

Vince Gauci
Chairman
Brisbane
Dated: 20 February 2009

PKF

Chartered Accountants
& Business Advisers

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Runge Limited

As lead auditor for the review of Runge Limited for the half year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Runge Limited and the entities it controlled during the half year.

PKF

PKF

Wayne Wessels
Partner

Dated at Brisbane this 20th day of February 2009

Tel: 61 7 3226 3555 | Fax: 61 7 3226 3500 | www.pkf.com.au

PKF | ABN 83 236 985 726

Level 6, 10 Eagle Street | Brisbane | Queensland 4000 | Australia

GPO Box 1078 | Brisbane | Queensland 4001

CONDENSED INCOME STATEMENT

FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Notes	Consolidated 31 Dec 2008 $'000	Consolidated 31 Dec 2007 $'000
Revenue			
Services		37,434	24,152
Sale of licenses		4,401	6,377
Other revenue	3	1,832	99
Interest		239	178
		43,906	**30,806**
Expenses			
Amortisation		(1,144)	(1,030)
Depreciation		(571)	(346)
Employee benefits expense		(23,367)	(16,094)
Office expenses		(1,664)	(675)
Professional services		(2,001)	(1,672)
Rechargeable expenses		(4,132)	(2,814)
Rent		(2,404)	(1,149)
Travel expenses		(1,057)	(894)
Other expenses		(1,151)	(1,148)
		(37,491)	**(25,822)**
Profit Before Income Tax and Finance Costs		**6,415**	**4,984**
Finance costs		(356)	(487)
Profit Before Income Tax		**6,059**	**4,497**
Income tax expense	4	(1,393)	(1,365)
Net Profit		**4,666**	**3,132**
Earnings Per Share			
Basic earnings per share (cents)	5	3.8	2.7
Diluted earnings per share (cents)	5	3.8	2.7

The above condensed income statement should be read in conjunction with the accompanying notes.

CONDENSED BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	Consolidated 31 Dec 2008 $'000	30 Jun 2008 $'000
Current Assets			
Cash and cash equivalents		8,088	12,652
Trade and other receivables		19,328	14,904
Work in progress		2,966	3,058
Current tax receivable		2	1,604
Prepayments and other receivables		560	711
Total Current Assets		30,944	32,929
Non-Current Assets			
Trade and other receivables		160	238
Property, plant and equipment	6	6,900	2,321
Deferred tax assets		2,080	191
Intangible assets	7	31,762	31,778
Other assets		-	5
Total non-current assets		40,902	34,533
Total Assets		**71,846**	**67,462**
Current Liabilities			
Trade and other payables		7,490	9,099
Borrowings	8	2,760	2,477
Provisions		4,121	3,701
Current tax liabilities		321	315
Deferred revenue		3,972	3,628
Total Current Liabilities		18,664	19,220
Non-Current Liabilities			
Borrowings	8	4,667	5,921
Provisions		40	40
Deferred tax liabilities		28	372
Other liabilities	9	2,393	275
Total Non-current Liabilities		7,128	6,608
Total Liabilities		**25,792**	**25,828**
Net Assets		**46,054**	**41,634**
Equity			
Contributed equity	10	39,339	39,262
Reserves		(1,504)	(3,041)
Retained profits		8,219	5,413
Total Equity		**46,054**	**41,634**

The above condensed balance sheet should be read in conjunction with the accompanying notes.

CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2008

Consolidated	Contributed equity	Revaluation reserve	Foreign currency translation reserve	Reserve arising from an equity transaction	Employee option reserve	Retained profits	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2008	39,262	18	(1,531)	(1,553)	25	5,413	41,634
Exchange differences on translation of foreign operations	-	-	1,466	-	-	-	1,466
Net income (expense) recognised directly in equity	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	4,666	4,666
Total recognised income and expenses for the period	-	-	1,466	-	-	4,666	6,132
Equity issued and payments received on partly paid shares	77	-	-	-	-	-	77
Employee share options	-	-	-	-	71	-	71
Dividends paid to shareholders	-	-	-	-	-	(1,860)	(1,860)
Balance at 31 December 2008	**39,339**	**18**	**(65)**	**(1,553)**	**96**	**8,219**	**46,054**
Balance at 1 July 2007	18,797	18	(701)	(1,553)	-	6,917	23,479
Exchange differences on translation of foreign operations	-	-	(45)	-	-	-	(45)
Net income (expense) recognised directly in equity	-	-	(45)	-	-	-	(45)
Profit for the period	-	-	-	-	-	3,132	3,132
Total recognised income and expenses for the period	-	-	(45)	-	-	3,132	3,087
Equity issued and payments received on partly paid shares	3	-	-	-	-	-	3
Dividends paid to shareholders	-	-	-	-	-	(1,443)	(1,443)
Balance at 31 December 2007	**18,801**	**18**	**(746)**	**(1,553)**	-	**8,606**	**25,126**

The above condensed statement of changes in equity should be read in conjunction with the accompanying notes

CONDENSED CASH FLOW STATEMENT

FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Notes	Consolidated 31 Dec 2008 $'000	Consolidated 31 Dec 2007 $'000
Cash Flows from Operating Activities			
Receipts from customers		42,972	24,947
Payments to suppliers and employees		(36,938)	(26,612)
Interest and dividends received		239	178
Borrowing costs		(356)	(485)
Income taxes paid		(2,003)	(584)
Net cash inflow / (outflow) from operating activities	12	3,914	(2,556)
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(5,044)	(463)
Payment for intangible assets		(427)	(734)
Proceeds from sale of property, plant and equipment		-	33
Payments for subsidiaries, net of transaction costs and cash acquired		-	(4,059)
Payment for business combinations		(351)	(234)
Net cash inflow / (outflow) from investing activities		(5,822)	(5,457)
Cash Flows from Financing Activities			
Proceeds from the issue of shares and other equity securities, net of transaction costs		77	3
Repayment of finance leases		(123)	(15)
Proceeds from borrowings		5,000	10,657
Repayment of borrowings		(6,294)	(802)
Dividends paid – members of the parent entity		(1,861)	(1,443)
Net cash inflow / (outflow) from financing activities		(3,201)	8,400
Net Increase / (Decrease) in Cash and Cash Equivalents Held		(5,109)	387
Cash and cash equivalents at the beginning of the period		12,652	6,579
Effects of exchange rate changes on cash and cash equivalents		545	(18)
Cash and Cash Equivalents at the End of the Period		**8,088**	**6,948**

The above condensed cash flow statement should be read in conjunction with the accompanying notes

SELECTED NOTES TO THE FINANCIAL STATEMENTS

1. Basis of Preparation

Runge Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the half year ended 31 December 2008 comprises the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2008 is available upon request from the Company's registered office at Level 12, 333 Ann Street, Brisbane, QLD or at www.runge.com.

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001*. The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the group as at and for the year ended 30 June 2008. The accounting policies applied in this consolidated interim financial report are consistent with those applied in its consolidated financial report as at and for the year ended 30 June 2008.

Runge Limited is of a kind referred to in ASIC Class Order 89/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This consolidated interim financial report was approved by the Board of Directors on 20 February 2009.

Change in accounting policy

In this interim financial report the Group has changed the way it discloses fees for disbursements in the Group's income statement.

In prior periods revenues from consulting services consisted only of the time charged to customers. All fees for disbursements, such as fees for external consultants, travel, accommodation and other expenses were shown net of the related costs incurred by the Group and this net amount separately disclosed as "Disbursements" in revenue. The fees for disbursements are now shown gross under "Services" revenue in the income statement.

As the entities in the Group do not act under agency agreements and the accounting for fees for disbursements varies according to the nature of the contract negotiated with the customer, the new treatment of recognising charges of time and materials as a gross revenue item provides more reliable and relevant information.

The impact of this change on net profit is nil for all prior periods and the impact on revenue and expenses for current and prior periods is disclosed below:

	31 Dec 2008 $'000	31 Dec 2007 $'000	31 Dec 2006 $'000
Revenue increase	4,132	2,814	1,523
Expenses increase	(4,132)	(2,814)	(1,523)

2. Segment Reporting

Geographical Segments

A geographical segment is engaged in providing products and services within a particular economic environment and is subject to risks and returns that are different from those segments operating in other economic environments. The Group is organised on a world wide basis into Geographical Regions and is reported on that basis. The Group has offices in five major geographical locations: Australia (including the head office), Asia (China, Indonesia, Malaysia), South America (Chile, Brazil), North America (Canada, United States of America) and Africa (South Africa). The Group's risks and returns are affected by differences in the continents in which it operates. Segment revenue, expenses and results include transfers between segments. Such transfers are priced on "arms-length" basis and are eliminated on consolidation.

2. Segment Reporting (Continued)

SUMMARY OF FINANCIAL INFORMATION BY GEOGRAPHICAL SEGMENT
Half Year to 31 December 2008

	Australia	Asia	South America	North America	Africa	Intersegment eliminations	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
REVENUE							
External sales	24,995	4,516	2,463	8,624	3,069	-	43,667
Inter-segment sales	3,663	638	79	1,265	109	(5,754)	-
Segment Revenue	28,658	5,154	2,542	9,889	3,178	(5,754)	43,667
Interest revenue							239
Total Revenue							**43,906**
RESULT							
Segment result	5,315	1,837	533	1,499	580	-	9,764
Net finance costs							(117)
Unallocated expenses							(3,588)
Profit before income tax							6,059
Income tax expense							(1,393)
Net Profit							**4,666**

SUMMARY OF FINANCIAL INFORMATION BY GEOGRAPHICAL SEGMENT
Half Year to 31 December 2007

	Australia	Asia	South America	North America	Africa	Intersegment eliminations	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
REVENUE							
External sales	18,813	1,761	979	6,677	2,398	-	30,628
Inter-segment sales	2,463	458	48	181	71	(3,221)	-
Segment Revenue	21,276	2,219	1,027	6,858	2,469	(3,221)	30,628
Interest revenue							178
Total Revenue							**30,806**
RESULT							
Segment result	6,388	744	100	1,201	603	-	9,036
Net finance costs							(309)
Unallocated expenses							(4,230)
Profit before income tax							4,497
Income tax expense							(1,365)
Net Profit							**3,132**

SELECTED NOTES TO THE FINANCIAL STATEMENTS

3. Other Revenue

	31 Dec 2008 $'000	31 Dec 2007 $'000
Foreign exchange gains	1,133	-
Rent	304	13
Hire Income	324	-
Other	71	86
Total Other Revenue	**1,832**	**99**

4. Income Tax Expense

Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable

Profit before tax	6,059	4,497
Tax at the Australian tax rate of 30%	1,818	1,349
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Attributed Income	99	105
Depreciation and amortisation	2	-
Non-deductible expenses	146	9
Research and development deduction	(42)	-
	2,023	1,463
Difference in overseas tax rates	(40)	(254)
Under / (over) provision in prior years	(590)	156
Income Tax Expense	**1,393**	**1,365**

5. Earnings Per Share

	2008 Cents	2007 Cents
Basic earnings per share	3.8	2.7
Diluted earnings per share	3.8	2.7

	31 Dec 2008 $'000	31 Dec 2007 $'000
Reconciliations of earnings used in calculating earnings per share:		
Net profit	4,666	3,132
Profit attributable to the preference equity holders	-	(1,443)
Profit attributable to the ordinary equity holders used in calculating basic earnings per share	4,666	1,689

	31 Dec 2008 Number '000	31 Dec 2007 Number '000
Ordinary shares as at 1 July	124,080	7,884
Add effect of:		
Conversion of preference shares in December 2007	-	318
Adjust for split on 7.15 to 1 basis in May 2008	-	50,411
Adjust for Bonus Share Issue in May 2008	-	2,958
Weighted average number of ordinary shares at 31 December	124,080	61,571

5. Earnings Per Share (Continued)

As the average market price of ordinary shares during the half year ended 31 December 2008 was lower than the exercise price of options on issue, options on issue did not have a dilutive effect. At 31 December 2007 preference shares were considered in the calculation of diluted earnings per share, however, because they were antidilutive they were excluded from these calculations.

6. Property, Plant and Equipment

	31 Dec 2008 $'000	30 Jun 2008 $'000
Plant and Equipment		
Furniture and fittings - at cost	4,610	1,060
less: Accumulated depreciation	(355)	(188)
	4,255	872
Office equipment - at cost	1,193	758
less: Accumulated depreciation	(504)	(407)
	689	351
Computer equipment - at cost	3,777	2,449
less: Accumulated depreciation	(2,095)	(1,675)
	1,682	774
Motor vehicles - at cost	313	289
less: Accumulated depreciation	(160)	(129)
	153	160
Plant and equipment under finance lease	189	228
less: Accumulated depreciation	(68)	(64)
	121	164
Total Property, Plant and Equipment	**6,900**	**2,321**

MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT

	Furniture & fittings $'000	Office equipment $'000	Computer equipment $'000	Motor vehicles $'000	Plant & equipment under finance lease $'000	Total $'000
Carrying amount at 1 July 2008	872	351	774	160	164	2,321
Exchange differences	82	6	41	14	29	172
Additions	3,453	393	1,196	-	2	5,044
Disposals	(3)	-	(8)	-	(55)	(66)
Depreciation	(149)	(61)	(321)	(21)	(19)	(571)
Carrying amount at 31 December 2008	**4,255**	**689**	**1,682**	**153**	**121**	**6,900**

SELECTED NOTES TO THE FINANCIAL STATEMENTS

7. Intangible Assets

	31 Dec 2008 $'000	30 Jun 2008 $'000
Software developed for sales and licensing – at cost	2,501	2,253
Accumulated amortisation	(581)	(305)
	1,920	1,948
Software acquired for sales and licensing – at cost	3,133	3,133
Accumulated amortisation	(881)	(568)
	2,252	2,565
Software – internal management systems – at cost	2,685	2,392
Accumulated amortisation	(1,946)	(1,589)
	739	803
Client relationships – at cost	2,639	2,639
Accumulated amortisation	(850)	(586)
	1,789	2,053
Customer contracts – at cost	733	733
Accumulated amortisation	(660)	(648)
	73	85
Goodwill – at cost	24,989	24,324
Total Intangible Assets	**31,762**	**31,778**

8. Borrowings

Movements in borrowings

Balance at 1 July	8,398	8,856
Facility drawdown	5,000	10,807
Acquisition – business combinations	-	116
Repayments	(6,417)	(942)
Foreign exchange effect on borrowings	446	(26)
Balance at 31 December	**7,427**	**18,811**
Facility drawdown	-	1,788
Repayments	-	(12,136)
Foreign exchange effect on borrowings	-	(65)
Balance at 30 June	**-**	**8,398**

SELECTED NOTES TO THE FINANCIAL STATEMENTS

8. Borrowings (Continued)

Utilised facilities	Currency	Facility $'000	Utilised $'000	Current $'000	Non current $'000	Year of expiry
Commercial Loan	**AUD**	6,250	6,250	1800	4450	2012
Loan Facility	**USD**	2,659	1,131	945	186	2012
Finance leases and other borrowings	**AUD/USD/CAD**	46	46	15	31	2012
Loans and Borrowings at 31 December 2008			7,427	**2,760**	**4,667**	
Unutilised facilities						
Loan Facility	**AUD**	10,000	-	-	-	2009
Other facilities						
Bank Guarantee	**AUD**	1,900	-	-	**-**	2012

9. Other Liabilities

	31 Dec 2008 $'000	30 Jun 2008 $'000
Unamortised rent payable under operating leases	361	180
Unamortised lease incentive under operating leases	1,857	-
Other provisions relating to operating leases	175	95
Balance at 31 December	**2,393**	**275**

10. Contributed Equity

		31 Dec 2008 Number of shares	30 Jun 2008 Number of shares	31 Dec 2008 $'000	30 Jun 2008 $'000
Share capital					
Ordinary shares	- fully paid	124,011,255	123,993,929	39,193	39,135
	- partly paid	68,745	86,071	146	127
		124,080,000	124,080,000	39,339	39,262

Movements in ordinary and preference share capital:

		Ordinary Shares		Preference Shares	
		Number	$'000	Number	$'000
1 Jul 2007	Balance	7,884,267	8,945	32,072,447	9,853
	Partly paid shares paid up	-	-	-	2
21 Dec 2007	Conversion of preference to ordinary shares	5,821,094	9,856	(32,072,447)	(9,855)
31 Dec 2007		**13,705,361**	**18,801**	**-**	**-**
1 Jul 2008	Balance	124,080,000	39,262	-	-
	Partly paid shares paid up	-	77	-	-
31 Dec 2008		**124,080,000**	**39,339**	**-**	**-**

SELECTED NOTES TO THE FINANCIAL STATEMENTS

11. Dividends

	31 Dec 2008 $'000	31 Dec 2007 $'000
Dividends paid in cash during the period were:		
Ordinary Shares		
Final dividend of 1.5 cents per share fully franked paid on 6 October 2008	1,861	-
Preference Shares		
Final dividend of 4.5 cents per share fully franked paid on 16 November 2007	-	1,443

12. Reconciliation of Profit After Income Tax to Net Cash Inflow from Operating Activities

	31 Dec 2008 $'000	31 Dec 2007 $'000
Net profit	4,666	3,132
Depreciation and amortisation	1,715	1,375
Provision for doubtful debts	(129)	272
Net loss/ (gain) on sale of non-current assets	39	(4)
Unrealised loss/ (gain) on foreign exchange	509	38
Movement in employee options reserve	71	-
Change in Operating Assets and Liabilities		
Decrease/ (Increase) in trade receivables	(4,325)	(973)
Decrease/ (Increase) in other receivables	113	(1,942)
Decrease/ (Increase) in inventories	93	(1,192)
Decrease/ (Increase) in other operating assets	151	(334)
Increase/ (Decrease) in trade payables	170	(802)
Increase/ (Decrease) in other operating liabilities	1,034	(1,385)
Increase/ (Decrease) in provision for income taxes payable	1,609	(1,535)
Increase/ (Decrease) in provision for deferred tax assets	(2,220)	735
Increase/ (Decrease) in other provisions	418	59
Net Cash Inflow/ (Outflow) from Operating Activities	**3,914**	**(2,556)**

13. Contingent Liabilities

On 21 September 2007 Standard Bank Plc filed an action against a controlled entity of Runge Limited, Runge, Inc trading as PAH in the United States District Court of Colorado Civil Action No. 07-CV-01989-RPM-MJW. There have been no material developments in this matter since that time which was reported in the 2008 Annual Report in note 23. PAH continues to believe it has strong grounds to defend the claim and believes it will succeed in this litigation. Runge Limited will advise ASX of any material developments.

14. Related Party Transactions

Key Management Personnel

In March 2007, MRM Mining Services (Pty) Ltd entered into an office lease agreement with Lumian Properties CC, an entity associated with Ian Perks. Ian Perks is a Managing Director of MRM Mining Services (Pty) Ltd. The lease agreement is on commercial terms and the monthly rental is 66,769 South African Rands ($9,812 AUD). The term of the lease is 5 years due to expire in April 2012.

14. Related Party Transactions (Continued)

The Group employs services of Johnston Rorke Chartered Accountants, an entity associated with Ross Walker. Ross Walker is a partner of Johnston Rorke Chartered Accountants. Johnston Rorke received $56,320 for tax and advisory services to Runge Limited for the half year ending 31 December 2008 (2007: $18,750).

15. Subsequent Events

Since 31 December 2008 there have not been any subsequent events which materially influence the future development of the Group.

DIRECTORS' DECLARATION

In the opinion of the directors of Runge Limited:

a) the accompanying financial statements and notes are in accordance with the *Corporations Act 2001,* including:

   (i) complying with Accounting Standards, the *Corporations Regulations 2001*; and

   (ii) giving a true and fair view of the consolidated entity's financial position at as 31 December 2008 and of its performance for the half year ended on that date; and

b) at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Vince Gauci
Chairman
Brisbane

Dated: 20 February 2009

Chartered Accountants
& Business Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Runge Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Runge Limited (the company), which comprises the condensed balance sheet as at 31 December 2008, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2008 or from time to time during the half year ended on that date.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Runge Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Runge Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter Regarding Litigation

Without qualification to the conclusion expressed above, we draw attention to Note 13 to the financial report. A controlled entity of Runge Limited, Runge, Inc trading as PAH, has been named as the defendant in a lawsuit of a United States District Court. The claim alleges that PAH was negligent in preparing certain due diligence reports and seeks an unspecified amount in damages. PAH has lodged a defence denying any negligence. 5 million ordinary shares in the company were issued to a trust prior to the IPO. The company may require, for any purpose, all or part of the shares to be sold in certain circumstances that relate to the outcome of the claim. The ultimate outcome of the matter cannot presently be determined, and no provision for any liability that may result and no accrual for any possible reimbursement that may be received has been made in the financial report.

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Wayne Wessels

Partner

Dated at Brisbane this 20th day of February 2009