APPENDIX 4D

The information contained in this report is for the half year ended 31 December 2011 and the previous corresponding period ended 31 December 2010 for Runge Limited and controlled entities.

This report 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

				$'000
Revenues from ordinary activities	up	16%	to	52,306
Profit from ordinary activities after tax	up	11%	to	1,699
Net profit for the period	up	140%	to	3,668

Dividend information

	Amount per Share (cents)	Franked Amount per Share (cents)	Conduit Foreign Income Amount per Share
Interim 2012 dividend per share (to be paid 5 April 2012)	1.0	Nil	1.0

Interim dividend dates	
Ex dividend date	9 March 2012
Record date	16 March 2012
Payment date	5 April 2012

	31 Dec 2011	31 Dec 2010
Net tangible assets per security (cents)	14.2	11.1

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

Revenue and profit from ordinary activities exclude Key Man Insurance proceeds of $1,969,000.

This statement was approved by the Board of Directors.

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CORPORATE DIRECTORY

Directors

Mr Allan Brackin
Mr David Meldrum
Mr Christian Larsen
Dr Ian Runge
Mr Ross Walker
Mr Richard Mathews

Chief Financial Officer

Mr Michael Kochanowski

Group General Counsel and Company Secretary

Mr Ken Lewis

Registered Office in Australia

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Brisbane QLD 4000

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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

The directors present their report and the consolidated interim financial report for the half year ended 31 December 2011 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 Allan Brackin – *Chairman – appointed 30 November 2011*

Mr Vince Gauci – *Chairman – resigned 20 October 2011*

Dr Ian Runge

Mr Ross Walker

Mr Richard Mathews – *appointed 8 February 2012*

Mr Neil Hatherly – *resigned 20 October 2011*

Executive

Mr David Meldrum - *Managing Director – appointed 7 July 2011*

Mr Christian Larsen - *Executive Director*

Group Results

	Six months ended 31 Dec 2011 (1H12) $m	Six months ended 30 Jun 2011 (2H11) $m	Six months ended 31 Dec 2010 (1H11) $m
Operating Revenue	**52.3**	**49.0**	**45.2**
Less: Rechargeable expenses	(3.9)	(3.9)	(4.3)
Net Operating Revenue	**48.4**	**45.1**	**40.9**
Key Man Insurance proceeds	2.0	-	-
	50.4	**45.1**	**40.9**
Expenses			
Employee benefits expenses	(32.5)	(29.5)	(26.3)
Other operating expenses	(10.5)	(9.0)	(9.9)
Total operating expenses	**(43.0)**	**(38.5)**	**(36.2)**
Earnings Before Interest, Tax, Depreciation and Amortisation	**7.4**	**6.6**	**4.7**
Depreciation	(1.3)	(1.0)	(1.0)
Earnings Before Interest, Tax and Amortisation	**6.1**	**5.6**	**3.7**
Amortisation	(1.4)	(1.3)	(1.3)
Impairment of developed software	-	(1.0)	-
Earnings Before Interest and Tax	**4.7**	**3.3**	**2.4**
Net finance costs	(0.3)	(0.3)	(0.3)
Profit before tax	**4.4**	**3.0**	**2.1**
Income tax expense	(0.7)	(0.9)	(0.6)
NPAT	**3.7**	**2.1**	**1.5**

Profit after tax was higher in the current half partly due to receipt of the Key Man insurance proceeds of $2.0 million. Excluding this revenue, profit after tax was 11% higher than the first half of FY11 and 19% lower than the second half of FY11. Historically the Group performs better in the second half as license sales are typically higher (1H12 $4.1 million, 2H11 $5.9 million, 1H11 $4.0 million).

Net Operating Revenue increased substantially compared to the previous first half by $7.5 million to $48.4 million. However, expenses also increased by $6.8 million, mostly employment costs, as the number of employees increased to service the rising demand for consulting services.

DIRECTORS' REPORT

Operating Revenue

Operating revenue continued to grow in the six months to 31 December 2011. Net operating revenue of $48.4 million increased by 18% on the half year ending 31 December 2010 and 7% on 30 June 2011. The result was driven by growing demand for the consulting services outside of Australia.

Key Man Insurance Proceeds

As previously announced, Runge received non-taxable proceeds from a life insurance policy of $1,969,000 in respect of its former managing director, Mr Tony Kinnane.

Employee Benefits Expense

Employee costs increased by 24% on the first half of FY11 and 10% on second half of FY11. This is in line with the growth of staff numbers and tight competition in the employment market for mining professionals. Full time equivalent employees grew by 19% on December 2010 and 9% on June 2011 to 453 (Dec 2010: 382, June 11: 416).

Other Operating Expenses

Other operating expenses increased by 6% on December 2010 and 17% on June 2011 and relate to the growth of operations. Operating expenses in this half do not have foreign exchange losses (Dec: 2010 $1.2 million, June 2011: $0.2 million).

Financial Position

The Group had net assets of $47.0 million as at 31 December 2011 (June 2011: $44.7 million) and net cash of $0.8 million (June 2011: $3.8 million).

The Group rolled over its $15 million facility in September 2011 for three years.

Litigation

The Group has successfully defended litigation against a controlled entity, Runge, Inc. doing business as Pincock, Allen and Holt (PAH). Further details are set out in note 6 of this financial report.

Auditor's Independence

The lead auditor's independence declaration under s307c of the *Corporations Act 2001* is set out on page 4 and forms part of the directors' report for the half year ended 31 December 2011.

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 report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors.

Allan Brackin
Chairman
Brisbane
Dated: 23 February 2012

PKF

Chartered Accountants
& Business Advisers

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

To: The directors of Runge Limited and the entities it controlled during the financial half-year

I declare to the best of my knowledge and belief, in relation to the review for the financial half-year ended 31 December 2011 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review, and
- no contraventions of any applicable code of professional conduct in relation to the review.

Albert Loots
Partner

Dated at Brisbane this 23rd day of February 2012

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	Notes	31 Dec 2011 $'000	31 Dec 2010 $'000
Revenue			
Services		42,690	36,107
Sale of licenses		4,101	4,048
Software maintenance		4,967	4,617
Other revenue	3	2,517	467
		54,275	**45,239**
Rechargeable expenses		(3,871)	(4,333)
Net revenue		**50,404**	**40,906**
Expenses			
Amortisation		(1,362)	(1,267)
Depreciation		(1,308)	(969)
Employee benefits expense		(32,553)	(26,319)
Office expenses		(2,268)	(2,046)
Professional services		(1,550)	(1,016)
Rent		(3,452)	(3,065)
Travel expenses		(1,593)	(1,341)
Foreign exchange losses		-	(1,240)
Other expenses		(1,657)	(1,166)
		(45,743)	**(38,429)**
Profit before net finance costs and income tax		**4,661**	**2,477**
Finance income		70	66
Finance costs		(347)	(382)
Net finance costs		**(277)**	**(316)**
Profit before income tax		**4,384**	**2,161**
Income tax expense		(716)	(630)
Profit for the period		**3,668**	**1,531**
Other comprehensive income			
Foreign currency translation differences		(155)	(990)
Financial assets at fair value through other comprehensive income		6	-
Other comprehensive income for the period net of income tax		**(149)**	**(990)**
Total comprehensive income for the period		**3,519**	**541**
Earnings per share			
Basic earnings per share (cents)		3.0	1.2
Diluted earnings per share (cents)		3.0	1.2

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2011

	Notes	31 Dec 2011 $'000	30 June 2011 $'000
Current assets			
Cash and cash equivalents		9,934	9,344
Trade and other receivables		19,315	20,351
Work in progress		3,281	2,300
Current tax receivable		518	198
Prepayments and other assets		1,461	1,963
Total current assets		34,509	34,156
Non-current assets			
Trade and other receivables		265	245
Financial Assets		109	103
Property, plant and equipment		9,997	9,051
Deferred tax assets		4,570	4,199
Intangible assets		29,375	29,717
Total non-current assets		44,316	43,315
Total assets		**78,825**	**77,471**
Current liabilities			
Trade and other payables		4,448	7,685
Borrowings	4	405	5,455
Provisions		6,473	6,738
Current tax liabilities		809	705
Income in advance		6,672	8,241
Total current liabilities		18,807	28,824
Non-current liabilities			
Borrowings	4	8,716	18
Provisions		142	116
Deferred tax liabilities		-	47
Other liabilities		4,114	3,775
Total non-current liabilities		12,972	3,956
Total liabilities		**31,779**	**32,780**
Net assets		**47,046**	**44,691**
Equity			
Contributed equity		39,414	39,408
Reserves		(4,077)	(3,999)
Retained profits		11,709	9,282
Total equity		**47,046**	**44,691**

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	Contributed equity $'000	Reserves $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2011	39,408	(3,999)	9,282	44,691
Total comprehensive income for the period	-	(149)	3,668	3,519
Transactions with owners in their capacity as owners				
Payments received on partly paid shares	6	-	-	**6**
Employee share options	-	71	-	**71**
Dividends paid	-	-	(1,241)	**(1,241)**
	6	71	(1,241)	**(1,164)**
Balance at 31 December 2011	**39,414**	**(4,077)**	**11,709**	**47,046**
Balance at 1 July 2010	39,407	(1,671)	6,933	44,669
Total comprehensive income for the period	-	(990)	1,531	541
Transactions with owners in their capacity as owners				
Adjustment to payments received on partly paid shares	(2)	-	-	(2)
Employee share options	-	146	-	146
	(2)	146	-	144
Balance at 31 December 2010	**39,405**	**(2,515)**	**8,464**	**45,354**

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	31 Dec 2011 $'000	31 Dec 2010 $'000
Cash flows from operating activities		
Receipts from customers	53,048	50,367
Payments to suppliers and employees	(51,349)	(46,861)
Interest and dividends received	70	66
Proceeds from Key Man insurance	1,969	-
Borrowing costs	(347)	(382)
Income taxes paid	(1,351)	(1,261)
Net cash inflow from operating activities	2,040	1,929
Cash flows from investing activities		
Payments for property, plant and equipment	(2,395)	(1,403)
Payment for intangible assets	(936)	(991)
Proceeds from sale of property, plant and equipment	21	-
Net cash outflow from investing activities	(3,310)	(2,394)
Cash flows from financing activities		
Payments received on partly paid shares	6	-
Repayment of finance leases	(2)	(6)
Proceeds from borrowings	5,650	500
Repayment of borrowings	(2,000)	(900)
Dividends paid	(1,241)	-
Net cash inflow / (outflow) from financing activities	2,413	(406)
Net increase / (decrease) in cash and cash equivalents held	1,143	(871)
Cash and cash equivalents at the beginning of the period	9,344	9,304
Effects of exchange rate changes on cash and cash equivalents	(553)	(863)
Cash and cash equivalents at the end of the period	**9,934**	**7,570**

The above condensed consolidated statement of cash flows 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 2011 comprises the Company and its subsidiaries (together referred to as the "Group").

The consolidated annual financial report of the Group as at and for the year ended 30 June 2011 is available upon request from the Company's registered office at Level 12, 333 Ann Street, Brisbane, Queensland 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 2011. 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 2011.

The Group have adopted all of the new and revised Standards and interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and effective for the current reporting period. This adoption has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported in the current and prior periods.

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 23 February 2012.

2. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director in order to make decisions about resource allocations and to assess performance of the Group. The reports are split into geographical areas: Australia (Brisbane, Sydney, Maitland and Perth), Asia (China, Indonesia, Hong Kong, Mongolia and Russia), America (Canada, United States of America, Chile, Brasil) and Africa (South Africa). GeoGAS operations are based in Australia (Brisbane, Wollongong and Mackay) and are reported separately as it provides different services and is managed separately.

Segment revenue, expenses and results include transfers between segments. Such transfers are priced on an "arms-length" basis and are eliminated on consolidation. Each segment, other than GeoGAS, sells all the products and services provided by the Group. December 2010 segments in Australia and Asia were restated to align with the current internal reporting structure. Reconciliation of segment profit to reported profit:

	2011 $'000	2010 $'000
Segment profit	11,444	11,387
Adjustments:		
Amortisation	(1,363)	(1,267)
Foreign exchange gains/(losses)	200	(1,240)
Unallocated income	2,240	390
Unallocated corporate cost, including employee benefits	(7,860)	(6,793)
Net Finance costs	(277)	(316)
Profit before income tax	4,384	2,161
Income tax expense	(716)	(630)
Profit for the period	**3,668**	**1,531**

SELECTED NOTES TO THE FINANCIAL STATEMENTS

2. Operating Segments (Continued)

31 Dec 2011	Australia $'000	GeoGAS $'000	Asia $'000	America $'000	Africa $'000	Elimina-tions $'000	Consoli-dated $'000
REVENUE							
Services	16,218	5,587	10,289	9,338	1,258	-	**42,690**
Licence sales	1,849	-	786	827	639	-	**4,101**
Software maintenance	2,630	-	380	1,061	896	-	**4,967**
Other revenue	2	-	72	3	-	-	**77**
Total external sales	20,699	5,587	11,527	11,229	2,793	-	**51,835**
Inter-segment sales	4,161	69	2,644	1,440	159	(8,473)	**-**
Total Revenue	**24,860**	**5,656**	**14,171**	**12,669**	**2,952**	**(8,473)**	**51,835**
Rechargeable expenses	(1,150)	(766)	(5,452)	(3,979)	(997)	8,473	(3,871)
Net revenue	**23,710**	**4,890**	**8,719**	**8,690**	**1,955**	**-**	**47,964**
EXPENSES							
Salaries	14,355	1,926	4,117	4,850	1,681	-	26,929
Depreciation	603	323	93	36	28	-	1,083
Other expenses	3,970	956	1,602	1,219	761	-	8,508
	18,928	3,205	5,812	6,105	2,470	-	36,520
Segment profit/(loss)	**4,782**	**1,685**	**2,907**	**2,585**	**(515)**	**-**	**11,444**

31 Dec 2010	Australia $'000	GeoGAS $'000	Asia $'000	America $'000	Africa $'000	Elimina-tions $'000	Consoli-dated $'000
REVENUE							
Services	17,249	3,399	6,343	7,975	1,141	-	**36,107**
Licence sales	2,264	-	234	1,111	439	-	**4,048**
Software maintenance	2,505	-	279	929	904	-	**4,617**
Other revenue	4	48	23	-	3	-	**78**
Total external sales	22,022	3,447	6,879	10,015	2,487	-	**44,850**
Inter-segment sales	3,293	20	1,341	1,432	97	(6,183)	**-**
Total Revenue	**25,315**	**3,467**	**8,220**	**11,447**	**2,584**	**(6,183)**	**44,850**
Rechargeable expenses	(2,258)	(316)	(3,256)	(3,947)	(739)	6,183	(4,333)
Net revenue	**23,057**	**3,151**	**4,964**	**7,500**	**1,845**	**-**	**40,517**
EXPENSES							
Salaries	12,640	1,373	2,209	4,337	946	-	21,505
Depreciation	672	102	60	64	24	-	922
Other expenses	3,371	426	1,213	1,404	289	-	6,703
	16,683	1,901	3,482	5,805	1,259	-	29,131
Segment profit	**6,374**	**1,250**	**1,482**	**1,695**	**586**	**-**	**11,387**

SELECTED NOTES TO THE FINANCIAL STATEMENTS

3. Other revenue

	31 Dec 2011 $'000	31 Dec 2010 $'000
Key Man Insurance proceeds – non-taxable	1,969	-
Foreign Exchange Gains	200	-
Rent and other revenue	348	467
	2,517	**467**

4. Borrowings

	31 Dec 2011	30 Jun 2011
Current secured	**$'000**	**$'000**
Lease liabilities	5	5
Bank loan	400	5,450
	405	**5,455**
Non-current secured		
Lease liabilities	16	18
Bank loan	8,700	-
	8,716	**18**

The Group rolled over its $15 million facility in September 2011 for three years.

5. Dividends

	31 Dec 2011 $'000	31 Dec 2010 $'000
Dividends paid in cash during the period were:	1,241	-
Final dividend of 1.0 cents per share unfranked paid on 6 October 2011	1,241	-

Post balance date dividends

Since 31 December 2011 the directors have recommended the payment of an interim unfranked dividend of 1.0 cent per ordinary share (2010: 1.0 cent). The aggregate amount of the proposed dividend expected to be paid on 5 April 2012, but not recognised as a liability at the end of the period, is $1,240,800 (2010: $1,240,800).

6. Changes in Contingent Liabilities

Runge previously disclosed a contingent liability related to a lawsuit in USA against its subsidiary Runge, Inc. doing business as Pincock, Allen and Holt (PAH). The action was filed on 21 September 2007 by Standard Bank Plc and was dismissed in January 2010. The plaintiff appealed this decision on 17 February 2010. The appeal was dismissed on 10 October 2011, bringing to an end the litigation and any contingent liabilities.

In 2008, pre IPO shareholders approved the placement of 5 million shares in Runge Limited with the Trustee of RS Trust. The shares were to be held for four years or until resolution of the claim against PAH. As a consequence of the conclusion of the litigation, on 30 December 2011 the RS Trust shares were released from escrow and allocated to beneficiaries.

DIRECTORS' DECLARATION

In the opinion of the directors of Runge Limited:

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

   (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

   (ii) giving a true and fair view of the consolidated entity's financial position at as 31 December 2011 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.

Signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

Allan Brackin
Chairman
Brisbane
Dated: 23 February 2012

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Chartered Accountants
& Business Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE DIRECTORS OF RUNGE LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying consolidated half-year financial report of Runge Limited which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity. The consolidated entity comprises Runge Limited (the company) and the entities it controlled at 31 December 2011 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 of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 a 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 2011 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.

Independence

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

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Chartered Accountants
& Business Advisers

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 the consolidated entity 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 2011 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*.

PKF

PKF

Albert Loots
Partner

Dated at Brisbane this 23rd day of February 2012