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**Time:** 10am  
**Date:** 21<sup>st</sup> November, 2008  
**Venue:** Level 13, 333 Ann Street, Brisbane

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## Chairman's Address

It is my pleasure to welcome you to this, Runge's first AGM as a publicly listed Company.

We are pleased to be holding this meeting in our own offices and hope this will provide our new shareholders with some further insights into our Company and also provide an opportunity to meet some of our staff.

Many of those present today are in fact our own staff and many, we are pleased to say, are also shareholders in the Company. The successful listing of the Company in a period of great uncertainty in financial markets was the defining event for Runge in the 2008 financial year. We are pleased that our Company has maintained a solid standing in the market despite unprecedented economic turmoil worldwide.

You will shortly hear from Christian Larsen with regards to Runge's financial results. However, I would like to take this opportunity to say that the Board is very pleased with Runge's 2008 financial performance which exceeded our Prospectus forecast. Net profit after tax for 2008 was \$5.9 million, 11% higher than the Prospectus forecast of \$5.3 million.

Runge is a global leader in mining technology and services. Australia has a strong reputation globally in this sector and this has assisted Runge to grow into an international company operating in 17 locations in most of the world's major mining centres. The technology, consulting and training we provide to the mining industry, is critical to the success of the mining companies with which we work.

There is no denying that the current economic conditions are very challenging. Runge has been subjected to a number of significant economic downturns in its 31 year history. Runge's experience has been that the Company has continued to grow despite these difficult periods.

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Our total revenue continues to track in line with our FY09 prospectus forecast despite the current economic crisis. We are cognisant of the fact that we are in uncertain times and are closely monitoring the situation.

We are seeing a change in sales mix which has come through as a result of this global economic crisis. This is a difficult market to predict with any certainty and there is a risk to some large single purchase software sales being delayed beyond this financial year. However, with only a little over four months of trading so far this year, it is too early to tell if there is any likely impact over the full year.

In looking to the immediate future I would also like to point out that:

1. consistent with historical trends, our first half earnings should be lower than second half; and
2. we continue to work towards achieving our FY09 prospectus forecast.

I am confident that with Runge's quality people, services and products, we are well placed to see through the current challenging market conditions. We have a very strong and experienced management team and a business model which is particularly relevant for these times. We therefore have confidence in our ability to continue to grow the business over the longer term, achieve the goals that the business has set for itself, and deliver attractive returns for our shareholders.

I would now like to introduce Christian to report more fully on the Company's activities for the past year.

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## Acting Managing Director's Address

Thank you Vince,

I too welcome you to our office for Runge's first AGM as a publicly listed company. I would like to reinforce Vince's comments and provide you with more detail on our operations and performance over the 2008 financial year.

Our vision is to form a dominant global mining technology services company. Our strategic goals are clearly defined to meet this vision and over the past year we continued to successfully grow our business.

While this year is our first year as a publicly listed company, we have operated with this mind set for many years. Our very stable management team, coupled with Runge's unique combination of capability and technology, underpins the successful achievement of our vision. As such, we are well positioned to continue to deliver solid, sustainable growth.

Runge has 17 offices in 10 countries globally, with opportunities for further expansion.

We deliver services across a range of commodities – including coal, iron ore, nickel, copper and gold, to name a few.

We deliver expertise across a range of disciplines in mining, whether they require the expertise of open cut or underground specialists.

We have steadily grown year on year as can be seen from the growth in our employee numbers. In the 2008 financial year, our global employee base grew from 262 in July 2007 to 346 at June 2008. As of today, this number is now 365 globally which is in line with our prospectus forecast.

Our **financial performance** is strong.

Our net profit after tax was \$5.9 m compared to \$5.6 m in 2007 and a prospectus forecast of \$5.3 m for the 2008 financial year. We were able to achieve this profit growth even though the 2008 profit results came after large one off costs in relation to the IPO.

If you take out these one off corporate costs, our profit before tax this past year increased by 32%.

Runge provides a unique blend of mining capability with technology. Our approach to the business of mining is strongly grounded in economic principles, where we deliver mine planning solutions, tightly coupled with technological support and training. We continue to build our mine planning knowledge for

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delivery externally to our customers and internally for our mentoring of employees.

Runge Software Sales (*including Mining Dynamics*) and maintenance increased from \$11.2 m in the previous year to \$17.4 m in the 2008 financial year.

Runge's software developments over the past year have seen some major milestones.

Our Mining Dynamics enterprise product successfully passed certification with SAP, one of the world's leading software companies. This opens up sales channels for all of our products into markets we could not otherwise address, and is our first step towards fully integrating mine production planning with SAP.

Our traditional desktop products continue to find very strong customer support as shown by Barrick Gold's adoption of XERAS as their enterprise wide budgeting and maintenance planning tool.

Some of our software has been translated for use into Spanish and Russian, and this will open up other significant markets in the former Soviet States and Latin America. In parallel we have put in place additional security and licencing systems to realise opportunities from our international customer base.

Our newer products of course are still gaining market acceptance and they have been well received.

Runge's organic and acquisition growth over the past year has meant that we have significantly increased the number of consultants working for us globally. In the more recent climate, we have experienced increases in demand for these consultants as our customers re-examine their plans in light of changes in price and volume demand for their commodities. We are starting to see an increased focus on costs, cost reduction and production expansion in brownfield operations, providing project work for our experts in mine planning, economic analysis and strategic planning.

The addition of expertise in coal seam gas, through the acquisition of GeoGAS, expanded our footprint in the coal mining sector and the coal bed methane sector, at a time where this expertise is in great demand.

Due to the skills shortage in mining professionals over the past few years, we have been experiencing significant growth in demand for Runge's professional development training.

This arm of our business is responding by increasing our schedule and range of courses and expanding our training delivery reach to new regions.

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We established a new office in Jakarta, Indonesia this year, providing a base for further growth in this region. We have already seen a significant increase in our project workload and software sales pipeline as a result.

Our acquisition of Minarco-MineConsult, which operates out of Sydney, includes a significant presence in China. Since the acquisition, the Beijing office has experienced further growth within China and Mongolia.

Pincock Allen & Holt, our fully owned subsidiary company, operating out of America, has a great deal of expertise in Russia and Latin America and enjoys a high level of credibility in these locations. Runge's expansion into these new geographies is therefore supported by a high level of local knowledge. Our software sales and implementations in Russia, in particular, have been successful and consequently we have experienced an increased demand for our technology and our mining consulting expertise.

Runge's organic growth has traditionally exceeded 20% per annum. During the last financial year we have also successfully integrated three acquisitions which added to the growth of the company. These acquisitions were Fractal Technologies, GeoGAS and ResEval. These businesses have added considerable value in intellectual property, knowledge and have opened up new markets.

The current market conditions are extremely challenging and volatile – to say the least. But after 31 years in business we are no strangers to business cycles – often more pronounced in the resources industry than elsewhere – yet we have a history of successfully navigating our way through them by adapting our business model and changing our sales mix.

Some of the refinements and characteristics of our business today, compared to our business in the past, or compared to others in the mining services industry, include:

1. Our business model has a strong emphasis on working with operating mines – as opposed to mineral exploration or greenfields development. In an industry downturn, exploration and development of new mines can cease. However, large operating mines continue to operate through these cycles and continue to demand our services.
2. This is further enhanced by our emphasis on mining operations with turnover of more than US\$100m per annum. These larger scale mines are the more capital intensive ones – they are mines that have low cash costs and are themselves more economically viable as commodity prices fall. Of significance to us, is that NOT ONE of our current customer base has “dropped out” of this demographic in the last 12 months.

3. In the past few years, the focus for the mining industry has unquestionably been on production, rather than production cost. Indeed there has been a substantial cost-blow-out in the industry. This will change given the current economic climate. Runge's strong reputation of "helping to improve the economics of an operation" uniquely positions us in a world of declining commodity prices as our customers focus on reducing costs. We provide efficiency and effective mine planning with a focus on improving mine economics.
4. Boom times bring new entrants and different ideas to any industry. During the last few years of industry growth Runge has responded to new and different styles of competitors, but also taken the opportunity to develop new products such as *Mining Dynamics* and our *Xact short term scheduling system*. In downturns, mining companies stick with companies and technology that is tried and proven. Runge's core software solutions have stood this test of time and still represent 86% of our IP revenues.
5. Our diversified business globally means that we are working with customers in a range of countries. When demand in one country is down, commonly demand in some other region will be up. Using our proprietary software and high speed internet, we can readily respond to such changes quickly, without even having to move people or equipment between offices, achieving higher staff utilisation.
6. We have broad engagement with our customers across a range of products and services with significant repeat business. This is reflected in the continued high take up of service and support fees for our software products (over 95% typically).
7. Our business has always been conservatively geared. At 30 June 2008, we had net cash of \$4.2 m, with sufficient cash available for working capital and expansion opportunities. This means that we can devote our management resources wholly into developing, protecting and enhancing the core business.

I would like to sum up now and leave you with some key thoughts from our business.

Our business model and culture is strong and resilient. Our people are talented and experienced. We have a unique business in mining services and are meshed with our customers' operations.

This is a difficult market to predict with any certainty and there is a risk to some large single purchase software sales being delayed beyond this financial year. However, with only a little over four months of trading so far this year, it is too early to tell if there is any likely impact over the full year.

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Our vision is clear and our strategic goals supporting the vision are robust, providing continued guidance as we grow and adapt to new circumstances.

FY08 was a pivotal year for Runge, highlighted by our successful listing on the ASX. We are in a strong financial position and despite current market conditions, we believe there are further areas of growth for the company.

Thank you for attending today's AGM and importantly, the support you have shown the company as shareholders. The Board and management team are very focussed on ensuring the continued growth of our business and shareholder value.

I will now hand back to Vince.

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# Annual General Meeting

## 21 November, 2008

*Runge - A global leader in mining information technology*

# Vince Gauci

Chairman

# Chairman's Address



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Section	Description	
1	Board Introduction	Vince Gauci
2	Chairman's Address	Vince Gauci
3	Acting Managing Director's Address	Christian Larsen
4	Formal Business	Vince Gauci
	Financial Report	
	Resolution 1. Adoption of Remuneration Report	
	Resolution 2. Election of Christian Larsen as Director	
5	Close Meeting	

## ASX Listing

- Runge successfully listed on the ASX on 27 May 2008
- We have maintained a solid standing in the market despite volatility

## Financial Performance

- FY08 results exceeded Prospectus forecasts on all key measures
- NPAT of 5.9m was 11% above prospectus forecast

## Global Leader in Mining Technology Services

- Operating in 17 locations in most of the world's major mining centres

## FY09 Prospectus Forecast

- 31 year history of growth through difficult periods
- We are seeing a change in sales mix
- First half earnings should be lower than second half earnings

## Long Term Business Growth

- Quality People, services and products
- Strong and experienced Management Team
- Business model that is particularly relevant to the mining sector in current economic conditions

# Christian Larsen

## Acting Managing Director

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# Runge Operations and Performance



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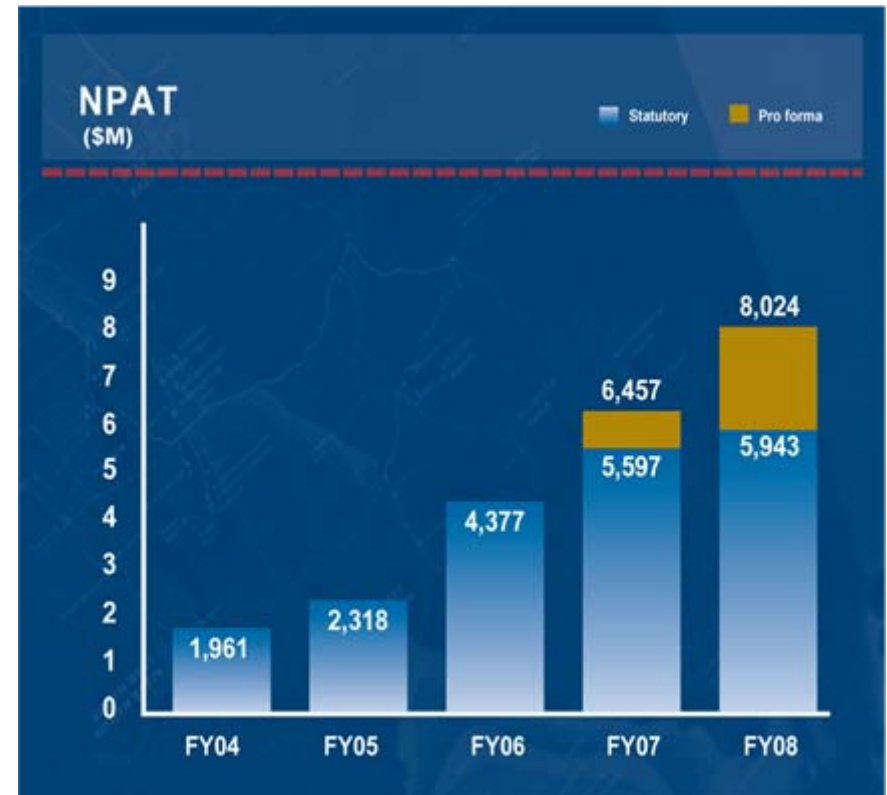
## Employee Growth 2004 to Current



# Runge Operations and Performance



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# Competitive Advantage



Runge's integrated Technology Services and Mining Consulting businesses provide a key point of differentiation and competitive advantage



Understanding customer needs through Mining Consulting generates Technology Services opportunities

Technology Services provides opportunities for Mining Consulting

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Business Model	We have a strong and resilient business model and culture
People	Our people are talented and experienced, and we have very close relationships with our customers
History	We have a 31 year history of navigating through challenging economic conditions
Vision	Our vision is clear and we are focused on achieving our strategic goals
Successful ASX Listing	FY08 was a pivotal year for Runge, highlighted by our successful listing on the ASX
Strong Financial Performance	We are in a strong financial position, and are well placed to continue to generate attractive shareholder returns

Thank You

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*The material in this presentation is a summary of the results of Runge Limited (Runge) for the 12 months ended 30 June 2008 and an update on Runge's activities and is current at the date of preparation, 22 August 2008. Further details are provided in the Company's full year accounts and results announcement released on 22 August 2008.*

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