INTERIM HALF YEAR FINANCIAL REPORT

For The Period Ended 31 December 2007

This consolidated half year financial report covers Runge Limited and its controlled entities.

Runge Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Runge Limited
Level 17
Central Plaza One
345 Queen Street
Brisbane Qld 4000

Contents

Directors' Report – Half Year

Your Directors present their report on the consolidated entity consisting of Runge Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2007.

Directors

The following persons were Directors of Runge Limited during the half year and up to the date of this report:

Ian Runge (on leave of absence from 14 March 2007 to 30 September 2007)
Anthony Kinnane
Christian Larsen
Christopher Still
Neil Hatherly
Peter Ludemann
Ross Walker
Vince Gauci (appointed 5 February 2008)

Review and Results of Operations

In the half year to 31 December 2007 the group continued to deliver strong financial performance and exceptional business growth. Consolidated revenue from continuing activities was $27,426,724 (2006: $16,090,876) with profit for the half year before income tax of $4,497,427 (2006: $3,723,444).

Major contributors to this 21% increase in profit were:

- A 42% increase in pre-tax profit for the half year to $3,538,793 from the Australian operations, and
- A North American operations pre-tax profit of $ 1,201,407 which is an increase of 371% on the first half of 2006.

In other respects the operations of the Group have not differed materially since the previous report.

Developments in Relation to Contingencies

A subsidiary, Runge Inc trading as PAH, is defending a civil action brought by a financial institution in the US. The claim relates to alleged damages suffered by a former customer of PAH as a consequence of relying on due diligence reports provided by PAH. The action does not state the amount being claimed other than the amount exceeds US$75,000. However, the claim does make reference to the extent of losses suffered by the plaintiff which are alleged to be significantly in excess of US$75,000.

The Directors have received legal advice. The directors do not expect the outcome of the action to have a material effect on the Group's financial position. In the director's opinion, disclosure of any further information would be prejudicial to the interests of the Group.

Runge Inc intends to vigorously defend the claim.

Auditor's Independence Declaration

In accordance with section 307C of the Corporations Act 2001, a copy of the auditor's independence declaration is enclosed on page 15.

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

Peter Ludemann, Chairman

Dated at Brisbane this 16th day of April 2008

Runge Limited and controlled entities
Condensed Income Statement
For the six months ended 31 December 2007

	Notes	Consolidated	
		31 Dec 07	31 Dec 06
		$	$
Revenue from continuing activities		**27,426,724**	16,090,876
Other income		**565,518**	361,073
Employee benefits expense		**(16,093,601)**	(9,715,538)
Depreciation and amortisation expenses		**(1,375,252)**	(344,369)
Professional services		**(1,672,482)**	(505,668)
Rent		**(1,149,341)**	(720,263)
Travel expenses		**(894,134)**	(449,994)
Office supplies		**(674,753)**	(431,196)
Other expenses		**(1,148,468)**	(508,348)
Profit before income tax and finance costs		**4,984,211**	3,776,573
Finance costs		**(486,784)**	(53,129)
Profit before income tax		**4,497,427**	3,723,444
Income tax expense		**(1,365,178)**	(740,910)
Net profit attributable to members of Runge Limited		**3,132,249**	2,982,534
Earning Per Share:			
Basic (cents per share)	10	20.59	16.75

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

Runge Limited and controlled entities
Condensed Balance Sheet
As at 31 December 2007

	Notes	Consolidated 31 Dec 07 $	30 June 07 $
ASSETS			
Current assets			
Cash and cash equivalents		**6,946,961**	6,578,535
Trade and other receivables		**14,567,198**	11,003,949
Inventories		**2,053,364**	861,538
Current tax		**1,182,853**	-
Total current assets		**24,750,375**	18,444,022
Non-current assets			
Trade and other receivables		**350,602**	107,117
Property, plant and equipment		**1,824,512**	1,417,502
Other		**6,111**	7,522
Intangible assets		**30,211,916**	25,816,330
Total non-current assets		**32,393,141**	27,348,471
Total assets		**57,143,516**	45,792,493
LIABILITIES			
Current liabilities			
Trade and other payables	3	**7,460,492**	7,859,020
Borrowings	4	**2,563,095**	565,128
Provisions		**3,179,237**	3,243,448
Current tax		**234,957**	466,660
Total current liabilities		**13,437,781**	12,134,256
Non-current liabilities			
Trade and other payables	3	**416,666**	833,333
Borrowings	4	**16,248,754**	8,291,045
Provisions		**535,593**	370,588
Deferred tax liabilities		**992,724**	306,956
Other		**386,098**	377,159
Total non-current liabilities		**18,579,835**	10,179,081
Total liabilities		**32,017,616**	22,313,337
Net assets		**25,125,901**	23,479,156
EQUITY			
Contributed equity	5	**18,800,700**	18,797,754
Reserves		**(2,280,300)**	(2,235,110)
Retained profits		**8,605,501**	6,916,512
Total equity		**25,125,901**	23,479,156

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

Runge Limited and controlled entities
Condensed Statement of Changes in Equity
For the six months ended 31 December 2007

Consolidated	**Contributed equity** $	**Revaluation reserve** $	**Foreign currency translation reserve** $	**Reserve arising from an equity transaction** $	**Retained profits** $	**Total equity** $
Balance at 1 July 2007	18,797,754	18,275	(700,624)	(1,552,761)	6,916,512	23,479,156
Currency translation differences	-	-	(45,190)	-	-	(45,190)
Total non-profit items recognised directly in equity	-	-	(45,190)	-	-	(45,190)
Profit for the period	-	-	-	-	3,132,249	3,132,249
Total recognised income and expenses for the year	-	-	(45,190)	-	3,132,249	3,087,059
Transactions with members in capacity as members						
Equity issued and payments received on partly paid shares	2,946	-	-	-	-	2,946
Dividends paid to shareholders	-	-	-	-	(1,443,261)	(1,443,261)
Balance at 31 December 2007	**18,800,700**	**18,275**	**(745,814)**	**(1,552,761)**	**8,605,501**	**25,125,901**
Balance at 1 July 2006	4,736,092	18,275	(248,143)	(1,552,761)	6,141,900	9,095,363
Currency translation differences	-	-	(138,666)	-	-	(138,666)
Total non-profit items recognised directly in equity	-	-	(138,666)	-	-	(138,666)
Profit for the period	-	-	-	-	2,982,534	2,982,534
Total recognised income and expenses for the year	-	-	(138,666)	-	2,982,534	2,843,868
Transactions with members in capacity as members						
Equity issued and payments received on partly paid shares	381,983	-	-	-	-	381,983
Dividends paid to shareholders	-	-	-	-	(2,335,820)	(2,335,820)
Balance at 31 December 2006	**5,118,075**	**18,275**	**(386,809)**	**(1,552,761)**	**6,788,613**	**9,985,394**

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

Runge Limited and controlled entities
Condensed Cash Flow Statement
For the six months ended 31 December 2007

	Notes	Consolidated 31 Dec 07 $	31 Dec 06 $
Cash flows from operating activities			
Receipts from customers		**24,947,416**	14,730,480
Payments to suppliers and employees		**(26,611,826)**	(14,022,076)
		(1,664,410)	708,404
Interest and dividends received		**178,449**	129,613
Finance costs		**(484,729)**	(53,129)
Income taxes paid		**(585,249)**	(1,107,879)
Net cash inflow/ (outflow) from operating activities	9	**(2,555,939)**	(322,991)
Cash flows from investing activities			
Payments for property, plant and equipment		**(462,609)**	(404,038)
Payment of development costs and external software		**(733,816)**	(408,855)
Proceeds from sale of property, plant and equipment		**32,669**	7,513
Payment for subsidiaries net of cash acquired	11	**(4,059,321)**	-
Payments for costs associated with acquisitions		**(233,985)**	-
Net cash inflow/ (outflow) from investing activities		**(5,457,062)**	(805,380)
Cash flows from financing activities			
Proceeds from issue of shares		**2,946**	381,983
Repayment of finance leases		**(14,847)**	(8,262)
Proceeds from borrowings		**10,656,827**	-
Repayment of borrowings		**(801,917)**	(411,371)
Dividends paid		**(1,443,261)**	(2,335,820)
Net cash inflow/ (outflow) from financing activities		**8,399,748**	(2,373,470)
Net increase/ (decrease) in cash and cash equivalents		**386,747**	(3,501,841)
Cash and cash equivalents at the beginning of the period		**6,578,535**	6,920,406
Effects of exchange rate changes on cash and cash		**(18,321)**	(138,175)
Cash and cash equivalents at the end of the period		**6,946,961**	3,280,390

The above statement of cash flows should be read in conjunction with the accompanying notes.

Selected explanatory notes to the Consolidated Financial Statements for the six months ended 31 December 2007

1 Significant accounting policies

This general purpose financial report for the interim half-year reporting period ended 31 December 2007 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2007.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

2 Events subsequent to 31 December 2007

On 10 January 2008 Runge Limited acquired 100% of the net assets of Resource Valuations Pty Ltd for the consideration of $2,525,145 comprising Runge Limited shares, cash and deferred cash payment. The number of Runge Limited ordinary shares issued on completion was 159,874, the cash outlay including transaction costs was $650,145 and deferred cash consideration is $625,000. Runge Limited funded this acquisition with a combination of debt and equity.

Other than the aforementioned, no other matter or circumstance has arisen since 31 December 2007 that has significantly affected, or may significantly affect:

a) the group's operations in future financial years; or
b) the results of those operations in future financial years; or
c) the group's state of affairs in future financial years.

3 Trade and other payables

	Consolidated	
	Dec 2007 ($)	Jun 2007 ($)
Current		
Trade payables	**2,012,138**	2,715,003
Other payables - Salaries payable	**41,080**	1,010,420
Other payables - Accrued expenses	**1,228,070**	417,272
Deferred settlement payment for acquisitions	**1,964,698**	416,667
Income received in advance - Software service and support	**864,892**	1,981,192
Income received in advance - Consulting fees	**1,349,614**	1,318,466
	7,460,492	7,859,020
Non-Current		
Deferred settlement payment for acquisitions	**416,666**	833,333

4 Borrowings

Secured Current		
Lease liabilities	**47,023**	17,939
Bank Loan	**2,516,072**	547,189
	2,563,095	565,128
Secured Non-Current		
Lease liabilities	**92,585**	20,903
Bank loan	**16,175,465**	8,286,524
Transaction costs	**(19,296)**	(16,382)
	16,248,754	8,291,045

Selected explanatory notes to the Consolidated Financial Statements for the six months ended 31 December 2007 (continued)

4 Borrowings (continued)

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Bank facilities have three elements:

A) An Australian dollar denominated Parent Entity Loan with a current residual balance of $16,050,000 secured by a First Registered Equitable Mortgage by the parent over the whole of the assets and undertakings including uncalled capital, and a guarantee unlimited as to the amount by subsidiaries of the parent, Runge Inc USA, Runge Mining SA Proprietary Limited, MRM Mining Services, Minarco-Mineconsult Pty Ltd, Fractal Technologies Pty Ltd and International Mineral Asset Transactions Pty Ltd. The facility has a term of 5 years, quarterly principal reduction of $450,000 due for payment in March, June, September and December and currently bears interest at 7.12% per annum.

B) A US dollar denominated subsidiary loan established in February 2005 and increased by USD 2,000,000 ($ 2,256,827) with a current residual balance of $2,641,537 secured with a fixed and floating charge across the net assets of Runge Inc and Runge Limited and repayable quarterly in the amount of USD 156,229 ($ 176,032) over an original period of 5 years in March, June, September and December. The facility bears interest at LIBOR plus 2% per annum.

C) A Bank Guarantee facility with a current balance of $1.5 million.

As at 31 December 2007 $2 million of the Parent Entity Loan facility was not utilised, all other facilities were fully utilised.

5 Contributed equity

	Consolidated		Consolidated	
Share capital	**31 Dec 07 Shares**	30 Jun 07 Shares	**31 Dec 07 $**	30 Jun 07 $
Ordinary shares				
- fully paid	**13,520,747**	7,784,637	**18,650,487**	8,914,839
- partially paid	**184,614**	99,630	**150,213**	30,289
Preference shares				
- fully paid	-	31,604,186	-	9,735,648
- partially paid	-	468,261	-	116,978
	13,705,361	39,956,714	**18,800,700**	18,797,754

(a) Movements in ordinary share capital:

Dec-07

Date	**Details**	**Number of shares**	**$**
1 Jul 2007	Opening balance	7,884,267	8,945,128
	Amounts received on partly paid shares issued in prior periods		606
21 Dec 2007	Preference shares converted to ordinary shares at ratio 5.51 to 1	5,821,094	9,854,966
31 Dec 2007	Balance	**13,705,361**	**18,800,700**

Selected explanatory notes to the Consolidated Financial Statements for the six months ended 31 December 2007 (continued)

5 Contributed equity (continued)

(b) Movements in preference share capital:

Dec-07

Date	**Details**	**Number of shares**	**$**
1-Jul-07	Opening Balance	32,072,447	9,852,626
	Amounts received on partly paid shares issued in prior periods		2,340
21 Dec 2007	Preference shares converted to ordinary shares at ratio 5.51 to 1	(32,072,447)	(9,854,966)
31 Dec 2007	Balance	-	-

6 Contingent liabilities

A subsidiary, Runge Inc trading as PAH, is defending a civil action brought by a financial institution in the US. The claim relates to alleged damages suffered by a former customer of PAH as a consequence of relying on due diligence reports provided by PAH. The action does not state the amount being claimed other than the amount exceeds US$75,000. However, the claim does make reference to the extent of losses suffered by the plaintiff which are alleged to be significantly in excess of US$75,000.

The Directors have received legal advice. The Directors do not expect the outcome of the action to have a material effect on the Group's financial position. In the director's opinion, disclosure of any further information would be prejudicial to the interests of the Group.

7 Dividends

(a) Dividends paid in cash during the period were:

	31 Dec 07	**31 Dec 06**
	$	$
- $.077 per preference share fully franked paid on 27 October 2006	-	1,927,845
- $0.065 per ordinary share fully franked paid on 27 October 2006	-	407,975
- $.0045 per preference share fully franked paid on 16 November 2007	1,443,261	-
	1,443,261	2,335,820

(a) Post balance date dividends:

- $0.123 per ordinary share fully franked paid on 28 February 2008	1,705,421

Selected explanatory notes to the Consolidated Financial Statements
for the six months ended 31 December 2007 (continued)

8 Segment information

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 operates in seven major geographical locations: Australia (being the head office), Canada, the United States of America, South Africa, Malaysia, Chile and Brazil. The Group's risks and returns are affected by differences in the geographical area in which it operates.

Segment revenue, expenses and results include transfers between segments. Such transfers are priced on an "arms-length" basis and are eliminated on consolidation.

Business Segments

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. The Group primarily sells software and consulting services to the mining industry world-wide. Business segment revenue from sales to customers external to the mining industry is less than 10% of the total Group's external revenues and segment assets are less than 10% of all business segments assets and, as a consequence, no secondary reporting business segments are provided.

Six Months to 31 December 2007	**Australia**	**Malaysia**	**Chile**	**Brazil**	**Canada**	**USA**	**South Africa**	**Eliminations**	**Consolidated**
REVENUE	$	$	$	$	$	$	$	$	$
External sales	18,755,683	(912)	629,232	350,166	1,079,850	4,215,206	2,397,498	-	27,426,723
Inter-segment sales	2,320,903	458,001	12,940	35,438	166,920	14,307	71,216	(3,079,725)	-
Total ordinary revenue	21,076,586	457,089	642,172	385,604	1,246,770	4,229,513	2,468,714	(3,079,725)	27,426,723
Other income	251,484	-	(4,116)	(8,536)	9,017	414,401	44,935	(141,666)	565,519
Total revenue/Income	**21,328,070**	**457,089**	**638,056**	**377,068**	**1,255,787**	**4,643,914**	**2,513,649**	**(3,221,391)**	**27,992,242**
RESULT									
Segment result	3,538,793	41,076	137,894	(38,337)	403,978	797,429	603,026	-	5,483,859
Unallocated expenses									(746,553)
Net finance costs									(239,879)
Income tax expense									(1,365,178)
Net profit from continuing activities									3,132,249

Six Months to 31 December 2006	**Australia**	**Malaysia**	**Chile**	**Brazil**	**Canada**	**USA**	**South Africa**	**Eliminations**	**Consolidated**
REVENUE	$	$	$	$	$	$	$	$	$
External sales	9,229,052	458	125,188	101,390	551,474	3,165,650	2,917,664	-	16,090,876
Inter-segment sales	1,706,509	372,888	26,297	36,291	71,665	34,616	964,867	(3,213,133)	-
Total ordinary revenue	10,935,561	373,346	151,485	137,681	623,139	3,200,266	3,882,531	(3,213,133)	16,090,876
Other income	58,114	96	(22,949)	5,893	(41,459)	281,526	80,475	(623)	361,073
Total revenue/Income	**10,993,675**	**373,442**	**128,536**	**143,574**	**581,680**	**3,481,792**	**3,963,006**	**(3,213,756)**	**16,451,949**
RESULT									
Segment result	2,495,437	33,912	(139,049)	(139,860)	(44,006)	298,847	1,142,797	-	3,648,080
Unallocated expenses									-
Net finance costs/income									75,366
Income tax expense									(740,910)
Net profit from continuing activities									2,982,534

Selected explanatory notes to the Consolidated Financial Statements for the six months ended 31 December 2007 (continued)

9 Reconciliation of profit after income tax to net cash inflow/(outflow) from operating activities

	Consolidated **31 Dec 07** **$**	Consolidated 31 Dec 06 $
Profit from continuing activities after income tax	**3,132,249**	2,982,534
Depreciation and amortisation	**1,375,252**	337,627
Provision for doubtful debts	**272,260**	12,158
Net loss/ (gain) on sale of non-current assets	**(4,070)**	(7,513)
Unrealised loss/ (gain) on foreign exchange	**38,066**	67,035
Change in operating assets and liabilities		
Decrease/ (Increase) in trade receivables	**(972,681)**	(3,209,499)
Decrease/ (Increase) in other receivables	**(1,942,401)**	(863,345)
Decrease/ (Increase) in inventories	**(1,191,826)**	(490,803)
Decrease/ (Increase) in other operating assets	**(334,243)**	85,893
Increase/ (Decrease) in trade payables	**(802,256)**	(994,839)
Increase/ (Decrease) in other operating liabilities	**(1,384,805)**	1,908,571
Increase/ (Decrease) in provision for income taxes payable	**(1,535,388)**	(277,518)
Increase/ (Decrease) in provision for deferred tax liability	**734,952**	(89,451)
Increase/ (Decrease) in other provisions	**58,951**	216,159
Net cash inflow/ (outflow) from operating activities	**(2,555,940)**	(322,991)

10 Earnings per Share

Reconciliations of earnings and weighted average number of shares used in calculating earnings per share

(a) Basic earnings per share

Profit attributable to the ordinary shareholders

Net profit	**3,132,249**	2,982,534
Dividend on preference shares	**(1,443,261)**	(1,929,416)
Profit attributable to the ordinary shareholders	**1,688,988**	1,053,118

Weighted average number of ordinary shares	**Number**	Number
Issued ordinary shares at 1 July	**7,884,267**	6,280,877
Effect of share issue in December 2006	-	5,765
Effect of conversion of preference shares in December 2007	**318,093**	-
Weighted average number of ordinary shares at 31 December	**8,202,360**	6,286,642

(b) Diluted earnings per share

Preference shares were converted into ordinary shares on 21 December 2007.

Prior to conversion, preference shares were considered to be “potential ordinary shares” but were anti-dilutive in nature and therefore diluted earnings per share have not been disclosed.

Selected explanatory notes to the Consolidated Financial Statements for the six months ended 31 December 2007 (continued)

11 Business combinations

During the year the parent entity acquired 100% of the net assets of Geogas Pty Ltd.

The acquired business contributed revenues of $ 232,778 and profit of $73,228 to the Group for the period 1 December 2007 to 31 December 2007. If acquisition had occurred on 1 July 2007, consolidated revenue and consolidated profit for the six months ended 31 December 2007 would have been $ 28,957,461 and $ 3,481,529 respectively. These amounts have been calculated using the Group's accounting policies.

	$
Purchase consideration:	
Cash	5,047,736
Cash payable – deferred consideration	1,402,734
Transaction costs	73,784
Total Consideration:	6,524,254
Fair value of net assets:	
Cash at bank	1,062,199
Trade receivables	828,259
Property plant and equipment	308,004
Deferred tax assets	49,184
Trade payables	(99,391)
Tax payable	(120,832)
Other payables	(60,653)
Interest bearing liabilities	(115,613)
Provisions	(93,854)
	1,757,303
Goodwill on acquisition	4,766,951
	6,524,254
Outflow of cash net of cash acquired:	
Cash consideration	5,047,736
Less balances acquired:	
Cash	(1,062,199)
Transaction Costs	73,784
Outflow of Cash	4,059,321

The goodwill is mainly attributable to the high profitability, the skills and technical talent of the workforce of the acquired business, and the expected synergies from integrating the business into the Runge Group.

Directors' Declaration
for the six months ended 31 December 2007

In the opinion of the Directors of Runge Limited:

a) the accompanying financial statements and notes are in accordance with the *Corporations Regulations 2001*, comply with the accounting standards and give a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half year ended on that date.

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 fall due and payable.

This declaration has been made in accordance with a resolution of the directors.

Peter Ludemann, Chairman

Dated at Brisbane this 16th day of April 2008

PKF
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, which comprises the condensed balance sheet as at 31 December 2007 and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, a summary of significant accounting policies other selected explanatory notes and the directors' declaration of the consolidated entity. The consolidated entity comprises Runge Limited ("the company") and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Runge Limited 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 2007 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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Chartered Accountants
& Business Advisers

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 2007 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 6 to the financial report. A subsidiary of Runge Limited, Runge Inc, is defending a civil action brought by a financial institution in the USA. The claim relates to alleged damages suffered by a former customer of the subsidiary as a consequence of relying on due diligence reports provided by the subsidiary. The ultimate outcome of the matter cannot presently be determined, and no provision for any liability that may result has been made in the financial report. The Directors have received legal advice. The directors do not expect the outcome of the action to have a material effect on the Group's financial position.

PKF

PKF
Chartered Accountants

Wayne Wessels
Partner

Dated at Brisbane this 16th day of April 2008

PKF

Chartered Accountants
& Business Advisers

AUDITOR'S INDEPENDENCE DECLARATION

To : The Directors
Runge Limited

As lead engagement partner for the review of Runge Limited for the half year ended 31 December 2007, 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 period.

PKF

PKF
Chartered Accountants

Wayne Wessels
Partner

Dated at Brisbane this 16th day of April 2008

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