

7 July 2011

## **Runge Limited appoints Managing Director**

Runge Limited ((ASX: RUL) has today announced that David Meldrum has been appointed as Managing Director.

Chairman, Vince Gauci said “The Board of Directors is very pleased to announce that David Meldrum has today been formally appointed as the Managing Director of Runge Limited. David has been the Acting Chief Executive Officer for the last three months subsequent to the retirement of long serving Tony Kinnane. During this period it became very clear to the Board that David has the right mix of industry skills, existing company knowledge and relationships and enthusiasm to take up the permanent appointment of Managing Director. The Board is confident that David will continue the impressive start he has already made over the last few months in leading Runge Limited and capitalising on its potential and growing the business for the benefit of its people, investors and customers.”

New Managing Director, David Meldrum said “I am somewhat humbled by the appointment whilst at the same time very keen to continue with the raft of initiatives that we have started during my time as Acting CEO. Since listing in 2008 it is fair to say that Runge Limited has performed below the Board’s and market expectations. I am however confident that the underlying business is a very strong one. Our business model supports the global resource industry in an integrated way that no other company does. Our worldwide renowned advisory services provide a complementary and supportive role to our technology solutions for the resource industry. We in turn share our industry knowledge via our Professional Development services. It is this uniqueness of our business and the skills of our employees that have me excited as to what the future holds.”

Prior to being appointed as Acting CEO, David was Executive General Manager – Global Operations and has been with Runge Limited for five years. Prior to joining Runge Limited, David was a Mining Engineer who worked on operating mine sites. He also worked for a major global financial services organisation and then established his own successful consulting business. He joined the Runge Limited group in 2006 when Runge Limited purchased his consulting business. Since joining Runge Limited, David has led the Company’s expansion into Asia, where he has been responsible for the successful establishment of offices in Jakarta, Hong Kong, Beijing, Ulaanbaatar and Moscow.

The key terms of David’s appointment include:

- Effective 7 July 2011;
- Fixed remuneration of \$471,000.00 per annum;
- An agreement to issue 500,000 sign on options subject to the approval of shareholders at the Annual General Meeting in November 2011. The exercise price will be the weighted average of the price over a ten day trading period for which the ASX is open for trade covering the five days preceding the announcement of the appointment and five days subsequent to the announcement, including the day of the appointment. The proposed grant date will be within two weeks of shareholder approval, if granted. The expiry date for the options will be on the 30 September 2015. The issue price for the sign on options is nil. The hurdle and exercise conditions of the options will be set by the Board upon the recommendation of the HR & Remuneration Committee upon their annual review of the Company’s existing LTI scheme. Full details will be published in the Notice and Memorandum of Annual General Meeting.

## Announcement

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- Short Term Incentive of 30% of the fixed remuneration, based upon qualitative and quantitative factors;
- Long Term Incentive (“LTI”) via a grant of options subject to approval of shareholders at the Annual General Meeting in November. The exercise price will be the five day weighted average immediately prior to the Annual General Meeting. The proposed grant date will be within two weeks of shareholder approval, if granted. The expiry date for the options will be on the 30 September 2015. The issue price for the LTI options is nil. The number, hurdle and exercise conditions of the options have not yet been set by the Board but will be set by the Board upon the recommendation of the HR & Remuneration Committee upon their annual review of the Company’s existing LTI scheme. Full details will be published in the Notice and Memorandum of Annual General Meeting; and
- Notice period of six months if given by Runge and three months if given by the Managing Director.

**For further information please contact:**

Ken Lewis

Company Secretary

+61-7 3100 7200

[companysecretary@runge.com.au](mailto:companysecretary@runge.com.au)

**About Runge Limited:**

Runge was established in 1977 by Dr Ian Runge and listed on the Australian Securities Exchange on 27 May 2008 (ASX: RUL).

Runge is a leader in the provision of technology products, consulting services and training courses to the global mining industry, delivering solutions and services across a range of commodities.

With expertise across a range of mining disciplines, Runge’s approach to the business of mining is strongly grounded in economic principles and delivering mine planning solutions that are tightly coupled with technological support and training. Runge currently operates 20 offices in 12 countries throughout the world. Our team includes Pincock Allen & Holt, Minarco-MineConsult, MRM Mining Services Pty Ltd and GeoGAS Pty Ltd.