

The 13th Annual Americas School of Mines IFRS

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Agenda

IFRS

Extractive Industries Discussion paper

Issues arising from a Preparers perspective

IFRS – Extractive Industries Discussion Paper

Issues arising from a Preparers perspective

Scope and approach

Can a one size fits all approach really provide decision useful information across all types of extractive industry processing?

Junior Miners vs. Global Miners?

Quarrying vs. Open pit mining?

Shallow underground vs. Deep level?

Oil and gas extraction vs. Deep level underground?

Drag-line mining vs. Undersea dredging?

IFRS – Extractive Industries Discussion Paper

Issues arising from a Preparers perspective **Reserves and resources**

Competent persons interpretation of CRIRSCO definitions are not consistent.

Cash flow determinations for Junior Miners vs. Global Miners

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Issues arising from a Preparers perspective

Asset recognition

Is a definition difference between Tangible and Intangible a concern

Should intent of a miner be required

Consistent application of Unit of Account selection

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Issues arising from a Preparers perspective

Asset measurement

Mineralized area vs Mineralized reserve

Commencement of depreciation in Exploration phase

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Issues arising from a Preparers perspective Disclosure

Consideration of Audited vs Unaudited
Litigation risk due to subjective nature

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Issues arising from a Preparers perspective

PWYP

Should accounting standards be used to advance political agendas.

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Issues arising from a Preparers perspective Summary

This will impact US domestic entities if convergence continues

The SEC proposals suggested IFRS adoption if generally adopted in the industry

The proposals are radically different from current US GAAP and Industry Guide 7

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