

PRESS RELEASE

26 August 2010

IFRS Interpretations Committee publishes proposed guidance on surface mining

The IFRS Interpretations Committee, the interpretative body of the IASB, has today published for public comment proposed guidance on the accounting for stripping costs in the production phase of a surface mine.

The Committee was asked to consider how to account for stripping costs (the process of removing waste from a surface mine in order to gain access to mineral ore deposits) given the divergence in practice that exists.

The Committee has proposed that costs associated with a ‘stripping campaign’ should be accounted for as an additional component of an existing asset, and that this component should be written down over the reserves that directly benefit from the campaign.

DI/2010/1 *Stripping Costs in the Production Phase of a Surface Mine* is open for comment until 30 November 2010 and can be accessed via the ‘Comment on a Proposal’ section of www.ifrs.org

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Notes for editors

About the IASB

The IASB was established in 2001 and is the standard-setting body of the IFRS Foundation, an independent private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality, global accounting standards that provide high quality transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international and national bodies around the world. The IASB currently has 14 full-time members drawn from ten countries and with a variety of professional backgrounds. By 2012 the IASB will be expanded to 16 members. IASB members are appointed by and accountable to the Trustees of the IFRS Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience. In their work the Trustees are accountable to a Monitoring Board of public authorities.

About the IFRS Interpretations Committee

The IFRS Interpretations Committee (formerly called the IFRIC) is the interpretative body of the IASB. The Committee comprises 14 voting members appointed by the Trustees and drawn from a variety of countries and professional backgrounds. The Committee's mandate is to review on a timely basis widespread accounting issues that have arisen within the context of current IFRSs and to provide authoritative guidance (IFRIC Interpretations) on those issues. The Committee's meetings are open to the public and webcast. In developing Interpretations, the Committee works closely with similar national committees and follows a transparent, thorough and open due process.