GUYANOR RESSOURCES S.A.

GUYANOR
RESSOURCES SA

ANNUAL REPORT TO SHAREHOLDERS
2004

MANAGEMENT OF THE COMPANY

List of the directors and officers as of April 25, 2005

Golden Star Resources Ltd. [1,2,3]

Jean-Pierre Prévôt
President, Guyanor Ressources S.A.
- Co-Director of Rhums Prévôt (rum distilling),
- Former President, Chamber of Commerce and Industry of French Guiana

Cayenne, French Guiana

James H. Dunnett
Directeur-Général,
Guyanor Ressources S.A.
George Town, Grand Cayman, Cayman Islands

Peter J. Bradford [2]
President and CEO Golden Star Resources Ltd.
Bogoso, Ghana

Donald R. Getty [2, 3]
President and Chief Executive Officer, Sunnybank Investments Ltd.
Edmonton, Alberta, Canada

Ian L. Boxall
Businessman
George Town, Grand Cayman, Cayman Islands

(1) Under French corporate law, it is permissible for a company to be a director of another company including of its subsidiary. Allan J. Marter, Senior Vice President and Chief Financial Officer of Golden Star, has been designated by Golden Star Resources Ltd. as its permanent representative in connection with proceedings of the directors of the Company.
(2) Member of the Compensation Committee.
(3) Member of the Audit and Corporate Governance Committee.

Stock Exchange Listing

Nouveau Marché of the Bourse de Paris
Symbol: GOR

Toronto Stock Exchange
Symbol: GRL.T

Registrar and Transfer Agent

Questions regarding the change of stock ownership, consolidation of accounts, lost certificates, change of address and other such matters should be directed to:

BNP Paribas Securities Services
Attention: Relations Clientèle Emetteurs
3, rue d'Antin
75002 Paris
France
Telephone: 33 1 40 14 74 68

CIBC Mellon Trust Company
Attention: Shareholder Services
P. O. Box 1900
Vancouver, British Columbia
Canada V6C 3K9
Toll Free: 1-800-387-0825

Auditors

PricewaterhouseCoopers Audit
1, place Occitane - BP 836
31080 - Toulouse cedex 06
France

PricewaterhouseCoopers LLP,
Calgary, Alberta, Canada

Co-Auditors

S&W Asociates
104 Avenue des Champs Elysees
75008 – Paris, France

Registered Office

Guyanor Ressources SA
9 Lotissement les Nénuphars – 97354
Rémire-Montjoly, Guyane Française

Corporate Headquarters

Guyanor Ressources SA
c/o 10901 W. Toller Drive
Suite 300
Littleton, CO 80127-6312

Société anonyme with a share capital of €450,028.84
SIRET 390 919 082

Number of employees: 1

Information requests should be addressed to:

James H. Dunnett, Directeur-Général
Tel: +1 604 710 2242
Fax: +1 604 608 3283

Allan J. Marter
Tel: +1 303 894 4631

DEAR FELLOW SHAREHOLDERS

2004 was indeed a year of major activity for Guyanor Ressources S.A ("Guyanor", the "Company" or "we") and marks a significant turning point in the Company's financial affairs. During the year Guyanor undertook and successfully executed a major restructuring involving a substantial forgiveness of debt by our majority shareholder, Golden Star Resources Ltd. ("Golden Star"), the appointment of new management and the acquisition of the Gross Rosebel Participation Right, (the "Rosebel Royalty").

The financial restructuring was necessary to allow the Company to consider new opportunities; the acquisition of the Rosebel Royalty was equally important. The closing of the acquisition of the Rosebel Royalty was achieved without issuance of new equity: a result that reflects the strengths of the new management.

The Company now has an assured long-term source of cash-flow to support its operations.

<u>The Guyanor Restructuring</u>

Early in 2004, we commenced discussions with Golden Star and negotiated the Guyanor Restructuring Agreement ("GRA") which was approved by the shareholders on June 30, 2004 and implemented on September 21, 2004. The GRA provided for the forgiveness of the approx $17.4 million of debt then owed by Guyanor to Golden Star.

Through an Option Agreement with Golden Star, Guyanor retains its interest in the Paul Isnard property directly in the exploration permits, as well as through ownership held through its subsidiary. We are pleased that Golden Star, under the Option agreement, has started work on further evaluating Paul Isnard.

Separately, the acquisition of the Bon Espoir property was assigned to Golden Star at no cost to Guyanor. Also, in conjunction with Golden Star, which held an equal 50% shareholding, we sold our interest in Yaou and Dorlin, retaining an on-going royalty interest. With this latter sale completed in December 2004, Guyanor has been able to substantially reduce its overhead costs.

<u>The Rosebel Royalty</u>

In considering how best to provide a stable base for the Company, we determined that acquisition of the Rosebel Royalty from Golden Star would provide a source of long term cash-flow, which directly benefits from the rising gold price. The losses the Company has incurred in the past are expected to shelter this income from tax payments for many years and maximize the cash available. The Rosebel Royalty relates to payments to be made by Cambior Inc. ("Cambior"), the owner and operator of the Rosebel gold mine in Suriname.

The Rosebel gold mine commenced production in February 2004 and has had a very successful start-up with production exceeding Cambior's forecast and with operating and capital costs below forecast. Cambior has announced that there has already been a significant increase in identified resource, all within this first year of production. The original forecast production for 2004 was 245,000 ounces: this was considerably exceeded by the 288,000 actually achieved.

The payments to be made by Cambior under the Rosebel Royalty are calculated based on the production of gold at the Rosebel mine and the London afternoon gold price fixing. This amount is determined as to 10% of the excess of the gold price above $300 per oz in respect of "soft and transitional" rock, and 10% above $350 per oz in respect of "hard" rock.

In 2004, the Rosebel Royalty paid by Cambior to Golden Star was in excess of $3 million for the 10 months of commercial production, with an average gold price of approximately $409 per ounce. Cambior has forecast gold production of 320,000 ounces in 2005. The acquisition of the Rosebel Royalty by the Company is effective for payments made by Cambior in respect to production on and after January 1, 2005: we expect to receive our first payment in April 2005.

The purchase price payable by Guyanor to Golden Star was structured with an initial payment of $6 million due at closing, a further $6 million due by June 30, 2005 and additional payments based on gold production from the Rosebel mine in excess of 2 million ounces. These additional payments will be further determined with reference to the gold price at that time.

In January 2005, we paid the first tranche of the purchase price due to Golden Star by drawing $6 million under a term acquisition finance facility provided by a commercial bank. In order to provide some price protection against the obligation to repay this debt, we have entered into a forward sales agreement to sell 57,000 ounces of gold in equal amounts of 5,700 ounces in each three month period, beginning April 20, 2005 until July 20, 2007.

Financing

As part of the GRA, Golden Star continues to provide the Company with its financing needs and will do so until receipt of the first payment of the Rosebel Royalty in April 2005. Golden Star has also agreed that the second payment of $6 million due on June 30, 2005 may be deferred.

The use of debt financing to pay the initial tranche of the purchase price of the Rosebel Royalty has stood the Company in good stead as it avoided the need to issue new equity at depressed prices. As a result, our share price has traded at significantly higher levels on increased volumes, both in Paris and Toronto.

It is expected that additional acquisitions will be made during 2005, using a combination of debt and equity. Management will continue to approach the issuance of equity on a conservative basis, focused on maximizing the cash flow available and enhancing shareholder value.

I would like to express thanks to the Guyanor staff for their support through the difficult times of the last several years. I would also like to thank the management and staff of Golden Star, our majority shareholder, for their considerable diligence and dedication during the year in effecting the restructuring and the acquisition of the Rosebel Royalty.

With the events of the last year now complete, Guyanor is transformed with the prospect of positive cash flows and a solvent balance sheet! After many years of reliance on our majority shareholder, we are now ready to move forward, pursuing our existing and new business activities without the need for continued financial support from Golden Star.

We shareholders can look to the future of the Company with renewed optimism and confidence.

Yours sincerely,

/s/ James H. Dunnett
James H. Dunnett
Directeur-Général

OVERVIEW OF GUYANOR

From the time Guyanor was established in 1993 until late in 2004, our business activities focused on exploration and, if warranted, development of precious metal deposits in French Guiana. In accordance with this business model we acquired the mineral rights to several exploration stage properties in French Guiana and conducted exploration related activities on these properties. Our exploration activities were funded through a combination of equity capital funds, joint venture partnership funds and loans from Golden Star, our majority shareholder.

In recent years, almost all our funding has come in the form of loans from Golden Star. As explained in more detail in the MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS section below, Guyanor has undertaken a major financial restructuring during 2004: this allowed the Company to acquire the Rosebel Royalty, a participation right on the Rosebel gold mine in Suriname. While retaining its historic interests in French Guiana, the Company intends to pursue the possible acquisition of additional interests in gold royalties.

PROPERTY REVIEW

The mineral properties in which we had an interest (either directly or through our subsidiaries) at the beginning of 2004 consisted of the Paul Isnard, Yaou and Dorlin properties, all located in French Guiana. During 2004 we sold our interest in Yaou and Dorlin.

PAUL ISNARD

On October 29, 1994, we acquired an interest in the Paul Isnard exploration projects by way of the acquisition of all of the outstanding shares of Société de Travaux Publics et de Mines Aurifères en Guyane ("SOTRAPMAG"). SOTRAPMAG holds eight mineral concessions at Paul Isnard which will expire on December 31, 2018 but which can be renewed for an additional 25 years. Total area of the eight concessions is 150 square kilometers.

We also have one Exclusive Exploration Permit at Paul Isnard, which was granted to us on November 30, 1999 for an initial period of three years, covering an area of approximately 283 square kilometers. Its first validity period expired on December 1, 2002. An application for renewal for a five-year period and reduced surface area (199 square kilometers) was sent to the French Administration on July 30, 2002. The application is still under review, awaiting a final decision from the Ministry of Industry.

Paul Isnard is located in the western part of French Guiana, some 180 kilometers west of Cayenne. The property is accessible by air or from Saint-Laurent-du-Maroni, by means of a 115 kilometer lateritic road. The first 62 kilometer section of this road is maintained by the State and the remaining 53 kilometer section by SOTRAPMAG.

Geology

The Paul Isnard project covers a Lower Proterozoic greenstone belt comprised dominantly of mafic metavolcanic rocks with lesser felsic meta volcanic rocks, metavolcaniclastics and meta sediments associated with intermediate, mafic and minor ultramafic intrusives of similar age.

The Dekou-Dekou Mountain located to the south of the property, is formed of metavolcanic rocks that, at the summit, are covered by degraded lateritic layers. Lucifer Mountain to the northeast is formed of basic intrusive rocks. The remaining area is underlain by mafic to intermediate intrusives with sequences of mafic to felsic volcanics of the Paramaca group. Clastic sediments of the Orapu formation occur to the north of the area.

At Montagne d'Or, located on the northern slopes of Dekou-Dekou, the host stratigraphy for mineralization is a +400 meter thick section of bi-modal felsic and mafic volcanics with lesser volcanoclastics, particularly at the base. The eastern part of the section contains more mafic volcanics than the western section. The section is intruded by a largely post mineral and later deformation swarm of mafic dykes or sills. The section contains at least two unique time stratigraphic horizons marked by chemical sediments and thin lithologically distinctive flows designated as "favorable sequences".

Mineralization consists of two principal types: disseminated zones or stringer mineralization and semi-massive (SMS) mineralization. The SMS occurs mainly within the favorable sequences that can be reasonably correlated between the widely spaced (200 meter) drill sections. Both contain mainly pyrite with lesser pyrrhotite, chalcopyrite, sphalerite and arsenopyrite. A third more localized mineralization type; "highly chloritic" has also been identified.

At Elysée, gold mineralization is hosted by sheared quartz vein systems, encompassed within various intermediate intrusives.

Work Program

Paul Isnard remained on care and maintenance during 2004. In 2004 and in 2003, expenditures on Paul Isnard totaled less than $0.1 million in each year.

During 2004, Guyanor entered into and Option Agreement with Golden Star in respect to Paul Isnard allowing Golden Star to undertake a work program which may result in it earning an ownership position in this property. Golden Star agreed to assume responsibility for all Paul Isnard property costs as long as it maintains the Option Agreement. See MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS below for additional details of the Golden Star Option agreement.

In terms of the Option Agreement, Golden Star is required to spend $2 million to earn its initial 50% interest. Golden Star has informed us that it plans to spend approximately $0.15 million on Paul Isnard during 2005, focusing their efforts on a review of past work and development of new areas of interest for future exploration activities.

MINERAL RESOURCES

At December 31, 2003 we reported inferred gold resources at our Yaou, Dorlin and Paul Isnard properties. During 2004 we sold the Yaou and Dorlin properties and now have gold resources only at Paul Isnard.

The Paul Isnard mineral resources were updated by RSG Global Pty. Ltd. at the end of 2003 and no additional work was done on the property during 2004. RSG prepared the Paul Isnard resources using an economic cut-off grade based on a gold price of $375 per ounce at December 31, 2003. The 2003 estimated cut-off grade utilized in mineral resource calculations for Paul Isnard was 0.4 grams per tonne.

The primary qualified person responsible for the estimation of the December 31, 2003 mineral resources is Mr. Colin Jones, a professional geologist with 22 years of experience. Mr. Jones is a

Partner and Manager (Audits) of RSG Global Pty. Ltd. and a member of the Australasian Institute of Mining and Metallurgy. Mr. Jones is considered a qualified person under Canadian National Instrument 43-101. The term "qualified person" refers to an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development, production activities and project assessment, or any combination thereof, including experience relevant to the subject matter of the project or report and is a member in good standing of a self-regulating organization.

The term "indicated mineral resource" refers to that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

The term "inferred mineral resource" refers to that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

The amount of the mineral resources that might have been removed from our Paul Isnard property by illegal mining is not known but could be material.

The following table summarizes estimated mineral resources as of December 31, 2004, which are unchanged from those reported at December 31, 2003:

MINERAL RESOURCES						
	Indicated Mineral Resources			**Inferred Mineral Resources**		
Property	**Tonnes** (thousands)	**Gold Grade** (g/t)	**Contained Ounces** (thousands)	**Tonnes** (thousands)	**Gold Grade** (g/t)	**Contained Ounces** (thousands)
Paul Isnard	-	-	-	8,215	1.78	470

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with, and is qualified by, our consolidated financial statements and related notes, for the periods indicated. The financial statements have been prepared in United States dollars and in accordance with Canadian generally accepted accounting principles.

STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This Annual Report contains forward-looking statements, with respect to our financial condition, results of operations, business prospects, plans, objectives, goals, strategies, future events, capital expenditure, and exploration and development efforts. Words such as "anticipates", "expects", "intends", "plans", "forecasts", "projects", "budgets", "believes", "seeks", "estimates", "could", "might", "should", and similar expressions identify forward-looking statements. Although we believe that our plans, intentions and expectations reflected in these forward-looking statements are reasonable, we cannot be certain that these plans, intentions or expectations will be achieved. Actual results, performance or achievements could differ materially from those contemplated, expressed or implied by the forward-looking statements contained in this Annual Report. These statements include comments regarding: the establishment and estimates of mineral resources, exploration spending, the closing of certain transactions including acquisitions and offerings and expectations of future participation rights payments.

RESULTS OF OPERATIONS

Overview

From the time Guyanor was established in 1993 until late in 2004, our business activities focused on exploration and, if warranted, development of precious metal deposits in French Guiana. In accordance with this business model we acquired the mineral rights to several exploration stage properties in French Guiana and conducted exploration related activities on these properties. Our exploration activities were funded through a combination of equity capital funds, joint venture partnership funds and loans from Golden Star, which remains our majority shareholder. In recent years, almost all our funding has come in the form of loans from Golden Star.

Guyanor has undertaken a major financial restructuring during 2004 and following this restructuring, in December 2004 we acquired a participation right on the Rosebel gold mine in Suriname. This acquisition is expected to provide a long-term source of cash-flow. Further acquisitions of a similar nature are contemplated.

Since 2000 there has been no material exploration work performed on our properties. As a result, the majority of our cash costs in recent years, including 2004 and 2003 have been related to maintaining our corporate structure, our share listings in France and Canada and retaining title to our properties. In addition to the cash expenses, we have accrued interest on the loans provided by Golden Star and management fees for services provided by Golden Star.

2004 compared to 2003

We recognized $2.2 million of net loss in 2004 which consisted of $0.1 million of income from royalties and other miscellaneous revenues offset by approximately $1.5 million of corporate overhead and property holding costs and by $0.8 million of interest expense on the Golden Star loans. This compares to a net loss of $2.5 million in 2003. The 2003 net loss consisted of approximately $1.7 million of corporate overhead and property holding costs and $0.9 million of interest expense. The lower loss in 2004 reflects the impact of the restructuring and subsequent reduction in costs in late 2004.

As discussed in more detail below, Guyanor's financial restructuring resulted in a significant improvement in our balance sheet, including waiver of approximately $17.4 million of debt due to Golden Star as of September 2004. New debt related to our acquisition of the Rosebel Royalty, along with continuing corporate expenses funded by Golden Star after the September 2004 restructuring, left a total of $13.6 million due Golden Star at the end of 2004, primarily in respect to the purchase of the Rosebel Royalty and associated acquisition costs, compared to $15.2 million at the end of 2003 which had been provided to fund general corporate operations.

Restructuring

Guyanor completed a major restructuring of its finances during 2004. Below is a summary of the debt re-organization and related agreements set in place during 2004:

- **Waiver of Debt** – Debt due to Golden Star totaled $16.6 million as at June 30, 2004 and had risen further to $17.4 million by mid September 2004. In June 2004, the shareholders approved the debt restructuring which provided for the complete waiver of the amount of the debt in excess of $16 million which was converted to equity as Contributed Surplus. The balance of $16 million was also suspended and converted to Contributed Surplus. The $16.0 million of waived debt can be re-instated and repaid but only to the extent of the potential $16 million proceeds from Golden Star arising from the following transactions:
    - Data Acquisition Agreement:
      Providing for the sale of our Guiana Shield geologic data base to Golden Star for $6.0 million, effected on September 21, 2004;
    - Option Agreement:
      Providing for Golden Star to earn-in to the Paul Isnard property; the initial payment of $0.5 million has been made. Additional Option payments of $0.5 million in each of 2005 and 2006, together with completion of $2 million of property expenditures, will permit Golden Star to earn a 50% joint venture interest.
    - Joint Venture:
      On completion of a feasibility study and payment of $3.5 million, Golden Star may increase its interest to 70%.
    - Purchase Option:
      On making a production decision, Golden Star may purchase the remaining 30% interest to acquire 100%, by paying $5 million.

- **Paul Isnard** - Exploration rights to our Paul Isnard property were optioned to Golden Star in an earn-in agreement over 100% of the 433 square kilometer property.

- **Sale of properties** - We sold our 50% ownership interest in the Yaou and Dorlin properties to a newly formed private company in consideration of a 0.5% production royalty and other contingent future consideration. Golden Star also transferred its 50% ownership interest in Yaou and Dorlin to the same company on identical terms.

- **Rosebel Participation Right Purchase** - In December 2004, we purchased the Rosebel participation right from Golden Star for $13.2 million and incurred an additional $0.4 million of other acquisition costs. As a result of this purchase, as at December 31, 2004, we recorded a current liability for the Royalty of $12.0 million, a long term liability of $1.2 million, both payable to Golden Star and capitalized the $0.4 million of acquisition costs.

- **Common stock -** Our Class A and Class B common shares were merged into a single class of common stock which trades on the Toronto Stock Exchange (GRL.T) and the Nouveau Marché of the Paris Bourse (GOR).

2003 compared to 2002

We incurred a net loss of $2.5 million during 2003 compared to a net loss of $2.0 million in 2002. The primary reasons for the increased net loss were due to $0.4 million lower revenues as a result of the mandated elimination of the royalties from AEX alluvial miners, $0.4 million less in gains from asset sales this year (in 2002 we sold the St. Elie property), partially off-set by a reduction in the net general and administrative and other expenses.

In 2000, we started to grant the right, through Exploitation Authorization (AEX) to 16 small-scale mining companies or individuals to exploit alluvial gold resources Exploitation Authorization on specific areas located at Paul Isnard. The French Mine Administration created this new type of mining title in connection with revisions to the Mining Code in 2000. This new title, referred to as an "AEX", grants to small-scale alluvial miners the right to mine alluvial deposits on our concessions and exploration permits, within a specific area of one square kilometer. The title-holder of an AEX is responsible for all potential environmental damages. During the period 2000 to 2002, under private commercial agreements with each AEX applicant and in agreement with the local Mine Administration of French Guiana ("D.R.I.R.E."), Guyanor received a certain percentage of the value of the gold extracted. During the last quarter of 2002, unofficial recommendations from the Ministry of Industry and from the D.R.I.R.E. were given to Guyanor to stop such payments from AEX holders on exploration permits. Therefore, on Guyanor's decision, this royalty payment stopped at the end of 2002, and our AEX royalty income was approximately nil and $0.45 million in 2003 and 2002, respectively.

A farm-out agreement was signed on August 13, 2003, with the Guianese alluvial mining company, COTMIG s.a.r.l., on the Paul-Isnard SOTRAPMAG concessions. In 2003 royalty income from this agreement amounted to $0.06 million.

Our general and administrative costs decreased from $1.7 million in 2002 to $1.4 million in 2003, due primarily to a reduction in our labor force. In 2003 we continued to expense property holding costs rather than capitalize them as deferred exploration assets.

LIQUIDITY AND CAPITAL RESOURCES

Consolidated cash and short-term investments as of December 31, 2004 were nil, unchanged from a year earlier. Operating expenditures during the first quarter of 2005 are expected to be funded by Golden Star until we begin receiving quarterly participation right payments in April 2005, following which we expect to have sufficient cash flow to fund our on-going routine operational needs.

As at December 31, 2004, two $6.0 million installments payments were due to Golden Star for the purchase of the Rosebel Royalty; one in January 2005 and a second in June 30, 2005. We borrowed $6.0 million from a commercial bank in January 2005 and made the first $6.0 million payment to Golden Star at that time. We anticipate arranging a combination of debt and equity to meet the second payment due in June 2005, but Golden Star has agreed to a deferral of this payment to the extent that funds are not available.

We intend to seek additional acquisitions of gold mineral interests and will likely require additional capital to complete any such transaction. In addition to established cash-flow, we anticipate arranging a combination of equity, debt and hedge transactions as sources of capital.

There is no assurance we can obtain additional funding at acceptable prices. If additional capital is unavailable to us, we may not be able to make the remaining payment to Golden Star and would not be able to acquire additional royalty interests.

Outlook

During 2005, the Rosebel Royalty is expected to provide cash flow to the Company of about $3.5 to $4.0 million at current gold prices of around $440 per ounce, net of hedging. We expect this will be adequate to meet all corporate and related expenses, including debt service. Until receipt of these royalty payments, Golden Star has undertaken to provide the funds necessary for the Company to meet its operating commitments.

We expect to raise our financing needs, from time to time, through a combination of debt and equity.

AUDITORS' REPORT

To the Shareholders of
Guyanor Ressources S.A.

We have audited the consolidated balance sheets of Guyanor Ressources S.A. as of December 31, 2004 and 2003 and the consolidated statements of operations and deficit and statements of cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Canada. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in Canada.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
Calgary, Alberta, Canada

April 25, 2005

GUYANOR RESSOURCES S.A.
CONSOLIDATED BALANCE SHEETS
(Stated in thousands of United States dollars)

	As of December 31,	
	2004	2003
ASSETS		
CURRENT ASSETS		
Cash and short-term investments	$ 1	$ 14
Accounts receivable (net of questionable accounts)	68	104
Due from Golden Star Resources Ltd. (Note 6)	497	-
Other current assets	2	5
Total Current Assets	568	123
PROPERTY, PLANT AND EQUIPMENT (Net of accumulated depreciation of $1,979 and $1,964 respectively)	18	33
Rosebel Royalty	13,553	-
Total Assets	$ 14,139	$ 156
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 654	$ 212
Due to Golden Star Resources Ltd. (Note 6)	12,366	15,227
Total Current Liabilities	13,020	15,439
LONG-TERM LIABILITIES		
Due to Golden Star Resources Ltd. (Note 6)	1,186	-
SHAREHOLDERS' FUNDS		
SHARE CAPITAL (Note 7)	45,498	45,498
CONTRIBUTED SURPLUS	17,443	-
CONTRIBUTED SURPLUS – STOCK BASED COMPENSATION	11	-
RETAINED DEFICIT	(63,019)	(60,781)
Total Shareholders' Deficits	(67)	(15,283)
Total Liabilities and Shareholders' Funds	$ 14,139	$ 156

Going Concern (Note 1)

The accompanying notes are an integral part of these consolidated financial statements.

Approved by the Board:

By: /s/ James H. Dunnett
Directeur-Général

By: /s/ Allan J. Marter
As Designee for
Golden Star Resources Ltd.

GUYANOR RESSOURCES S.A.

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

(Stated in thousands of United States dollars, except for share amounts)

	For the Years Ended December 31,	
	2004	2003
REVENUES		
Royalties, interest and other	$ 97	$ 102
EXPENSES		
General and administrative (Note 6)	1,296	1,449
Depreciation	15	13
Stock based compensation (Note 9)	11	-
Interest (Note 6)	824	945
Exploration	150	156
Foreign exchange loss	39	58
Total Expenses	2,335	2,621
NET LOSS	$ (2,238)	$ (2,519)
RETAINED DEFICIT – BEGINNING OF YEAR	(60,781)	(58,262)
RETAINED DEFICIT – END OF YEAR	$(63,019)	$(60,781)
NET LOSS PER SHARE - Basic (Note 11)	$ (0.050)	$ (0.056)
NET LOSS PER SHARE - Diluted (Note 11)	$ (0.049)	$ (0.056)
WEIGHTED AVERAGE SHARES OUTSTANDING (in millions of shares)	45.0	45.0

Going Concern (Note 1)

The accompanying notes are an integral part of these consolidated financial statements.

GUYANOR RESSOURCES S.A.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in thousands of United States dollars)

	For the Years Ended December 31, 2004	2003
OPERATING ACTIVITIES:		
Net loss	$ (2,238)	$ (2,519)
Reconciliation of net loss to net cash used in operations:		
Depreciation	15	13
Stock based compensation	11	-
Changes in operating working capital	481	(216)
Net cash used in operating activities	(1,731)	(2,722)
INVESTING ACTIVITIES:		
Purchase of Rosebel Royalty	(367)	-
Net cash used in investing activities	(367)	-
FINANCING ACTIVITIES:		
Increase in amount due from Golden Star	(497)	-
Decrease in amounts due to Golden Star	2,582	2,712
Net cash provided by financing activities	2,085	2,712
Decrease in cash	(13)	(10)
Cash and short-term investments – beginning of year	14	24
Cash and short-term investments - end of year	$ 1	$ 14

Going Concern (Note 1)

Summary of non-cash transactions:

Transaction:	2004	2003
Forgiveness of debt due Golden Star	$ (17,443)	$ -
Contributed surplus	17,443	-
Portion of Royalty Asset acquired by debt due to Golden Star	(13,186)	-
Debt due Golden Star	13,186	-

There were no cash payments for interest or taxes during 2003 and 2004.

The accompanying notes are an integral part of these consolidated financial statements.

1. Operations and Going Concern

Since the mid-1990s, the majority of our funding has been by loan from our major shareholder, Golden Star Resources Ltd. ("Golden Star"), which currently owns approximately 58.9% of our shares. During this period we were not able to develop significant internally generated sources of cash-flow.

We completed a financial restructuring during 2004 which waived our then existing debt to Golden Star. On December 31, 2004, we completed the acquisition of the Rosebel Royalty which will provide Guyanor with a continuing source of reliable cash-flow sufficient to provide for our ongoing corporate costs.

While an additional \$6.0 million is payable to Golden Star on June 30, 2005 in respect to the acquisition of the Rosebel Royalty, Golden Star has agreed to defer such payment in the event that we can not obtain funding for this liability. It is the intention of the Company to seek additional capital from debt and equity sources, but if we are not successful, we will retain the royalty with an undertaking to pay available funds to Golden Star until this payment is complete.

Accordingly, even if we are not successful in raising additional funds, the Company will be able to meet its obligations and commitments for the foreseeable future and will remain a going concern.

2. Formation

Guyanor was incorporated under the laws of France on April 20, 1993. The Company is a subsidiary of Golden Star, which owns approximately 52.7% of the Company's outstanding common shares. We are publicly traded with our common shares listed on the Toronto Stock Exchange under the symbol "GRL.TO". On October 30, 1996, our common shares became listed on the Nouveau Marché of the Bourse de Paris in France under the symbol "GOR".

3. Description of Business

From the time Guyanor was established in 1993 until late in 2004, our business activities focused on exploration and, if warranted, development of precious metal deposits in French Guiana. In accordance with this business model we acquired the mineral rights to several exploration stage properties in French Guiana and conducted exploration related activities on these properties. Our exploration activities were funded through a combination of equity capital funds, joint venture partnership funds and loans from Golden Star.

In recent years, almost all our funding has come in the form of loans from Golden Star. Guyanor has undertaken a financial restructuring during 2004. Subsequent to the 2004 restructuring, on December 31, 2004, the we successfully acquired the Rosebel Royalty from Golden Star and plan to seek additional acquisitions of this nature in the future.

Since 2000 there has been no material exploration work performed on our mineral properties. As a result, the majority of our cash costs in recent years, including 2004 and 2003 have related to maintaining our corporate structure, our share listings in France and Canada and retaining title to our properties.

4. Summary of Significant Accounting Policies

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. We have adopted the following accounting policies.

Basis of Consolidation

The consolidated financial statements include the accounts of Guyanor and its subsidiaries. All inter-company balances and transactions have been eliminated. The consolidated group includes at December 31, 2004:

Guyanor Ressources S.A.

- Société de Travaux Publics et de Mines Aurifères en Guyane sarl ("SOTRAPMAG") 100%
- Guyanor Canada Inc. – 100%

Cash

Cash consists primarily of checking account balances.

Interest Costs

Interest costs are charged to expense as incurred.

Mineral Properties and Deferred Exploration

Acquisition, exploration and development costs of mineral properties are capitalized.

Management periodically reviews the carrying value of its investments in acquisition, deferred exploration and development costs. A decision to abandon, reduce or expand a specific project is based upon many factors including general and specific assessments of reserves and mineralized material, anticipated future mineral prices, the anticipated future costs of exploring, developing and operating a producing mine, the expiration term and ongoing expenses of maintaining leased mineral properties and the general likelihood that we will continue exploration. We do not set a pre-determined holding period for properties with unproven reserves; however, properties which have not demonstrated suitable metal concentrations at the conclusion of each phase of an exploration program are re-evaluated to determine if future exploration is warranted and if their carrying values are appropriate.

If a mineral property is abandoned or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against operations in the year of abandonment or determination of value. Any costs incurred for a particular project afterward are expensed as incurred.

The accumulated costs of mineral properties are depleted on a units-of-production basis at such time as production commences.

Participation Right

The Gross Rosebel Participation Right acquired from Golden Star has been capitalized as the net present value of the future consideration to be paid to Golden Star, calculated at a discount rate equal to the marginal borrowing rate for the Company. In determining the payments to be made, the reserve and resource components of the Rosebel gold mine have been reviewed by a Qualified Person who has prepared the Company's report in terms of Canadian National Instrument 43-101. Based on this report, the calculation has utilized 100% of the Proven and Probable reserves, 67% of the Indicated resources and 33% of the Inferred resources.

Amortization and Depletion

In determining the Amortization and Depletion to be applied to the Participation Right during any financial period, the net book value of the asset will be amortized on a unit of production basis, having regard to the production at the Rosebel gold mine, payable in terms of the Participation right, and the resources and reserves used in computing the acquisition value.

Hedging Activities

We formally document all relationships between the hedging instruments and hedged items. This process includes linking all derivatives to specific assets and liabilities on the balance sheet or to specific firm commitments for forecasted transactions. Hedge effectiveness is assessed based on the degree to which the cash flows on the derivative contracts are expected to offset the cash flows of the underlying positions or transactions to be hedged. We formally assess, both at the hedge's inception, and on an ongoing basis, whether the derivatives used in hedging transactions are highly effective in offsetting changes in fair values or cash flows on hedged items.

Property Plant and Equipment

Fixed assets include building, machinery and equipment and are stated at cost. Depreciation is computed using the straight-line method at rates calculated to amortize the cost of the assets less their residual values over their estimated useful lives. The net book value of fixed assets at property locations are charged against income if the site is abandoned and it is determined that the assets cannot be economically transferred to another project or sold.

Foreign Currency Translation

As our functional currency is the United States dollar, monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the end of the period. Non-monetary assets and long term liabilities are translated at the rates of exchange prevailing when the assets were acquired or the liabilities assumed. Revenue and expense items are translated at the average rate of exchange during the year. Translation gains or losses are included in the determination of net income for the period. The accounts of subsidiaries are translated using the same method.

Net Loss per Share

Basic loss per share is calculated by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The calculation of diluted loss per common share uses the treasury stock method to compute the dilutive effects of stock options.

Fair Value of Financial Instruments

Our financial instruments are comprised of cash, accounts receivable, accounts payable and accrued liabilities and amounts due to and from Golden Star. The fair value of cash, accounts receivable, accounts payable and accrued liabilities equals their carrying value due to the short-term nature of these items. The value of the long term amounts owed to Golden Star represents the present value of potential additional future payments for the royalty purchase, such payments being due upon ounces produced at the Rosebel mine in excess of the first 2.0 million ounces.

Stock-Based Compensation Plan

The Company has one stock-based compensation plan, which is described in Note 9. Prior to 2003 no compensation expense was recognized for these plans when stock or stock options were issued to employees. Any consideration paid by employees on exercise of stock options or purchase of stock is credited to share capital. If stock or stock options are repurchased from employees, the excess of the consideration paid over the carrying amount of the stock or stock option canceled is charged to retained earnings.

5. Rosebel Participation Right Acquisition

In December 2004, we purchased the Rosebel participation right from Golden Star for $13.2 million and incurred an additional $0.4 million of other acquisition costs. As a result of this purchase, as at December 31, 2004, we recorded a current liability for the Royalty of $12.0 million and a long term liability of $1.2 million, both payable to Golden Star. The Rosebel participation right originated in 2001 when Golden Star sold its share of the Rosebel ore deposit in Suriname to Cambior Inc., the participation right being a part of the purchase consideration paid by Cambior. The participation right applies to the first 7 million ounces of production from the Rosebel mine.

The Rosebel Royalty provides that Cambior Inc. will pay a quarterly payment equal to the product of (1) 10% of the amount by which the quarterly gold price exceeds a base gold price and (2) the gold production from the Rosebel mine. The base price is set at $300 per ounce for gold produced from “soft and transitional” rock and at $350 per ounce for gold from “hard” rock. Gold production is calculated after deducting a 2% royalty payable to the Government of Suriname.

The terms of the acquisition of the Rosebel Royalty from Golden Star, require the payment of $12 million in 2 installments of $6 million each, due at closing (paid in January 2005) and 6 months thereafter (June 2005). Additional payments will be made to Golden Star if cumulative production exceeds 2 million ounces. For production over 2 million ounces, up to 4 million ounces, the additional payment will be equal to the lesser of the amount received from Cambior and $2.50 per ounce. For additional production up to the balance of the 7 million ounces, the additional payment will be equal to the lesser of the amount received from Cambior and $5.00 per ounce.

6. Due to and from Golden Star Resources Ltd

The debt owed to Golden Star was restructured during 2004 resulting in the reclassification of most of the liability to contributed surplus by the end of 2004. Prior to the debt reclassification the amounts due to Golden Star consist of cash advances, amounts incurred on our behalf by Golden Star for purchases of goods and services, interest accrued on amounts due Golden Star and management fees charged to us by Golden Star between 1999 and 2004. Golden Star advanced such amounts pursuant to the terms of the Restated and Amended Loan Agreement dated October 29, 2001. The loan agreement specified an interest rate at prime plus three percent and no fixed term.

Debt due to Golden Star totaled $15.3 million at the end of 2003 and had risen to $16.5 million by June 30, 2004 and to $17.4 by mid-September 2004. This debt was waived in terms of the Guyanor Reconstruction Agreement and the amounts so forgiven were converted to equity as contributed surplus. It was agreed that $16.0 million of the forgiven debt can be reinstated and repaid to Golden Star in the future but only to the extent of the potential $16 million proceeds from Golden Star arising from the following transactions:

- Data Acquisition Agreement:
  Providing for the sale of our Guiana Shield geologic data base to Golden Star for $6.0 million, effected on September 21, 2004;
- Option Agreement:
  Providing for Golden Star to earn-in to the Paul Isnard property; the initial payment of $0.5 million has been made. Additional Option payments of $1.0 million, together with completion of $2 million of property expenditures, will permit Golden Star to earn a 50% joint venture interest.
- Joint Venture:
  In terms of the Joint Venture, on completion of a feasibility study and payment of $3.5 million, Golden Star may increase its interest to 70%.
- Purchase Option:
  On making a production decision, Golden Star may purchase the remaining 30% interest to acquire 100%, by paying $5 million.

Subsequent to implementation of the Guyanor Reorganization Agreement, a new payable was incurred of approximately $0.2 million for miscellaneous operating items paid by Golden Star on Guyanor's behalf.

We also recorded a $13.2 million payable due Golden Star at December 31, 2004 for the participation right purchase (see Note 5 above). This is recorded as to $1.2 million long term liability and the balance of $12.0 million as a current liability.

Golden Star has undertaken to continue to fund Guyanor operating expenses until April 2005 when we expect to receive the first royalty payment from Cambior. At that time we expect to pay Golden Star the transaction and related financing costs incurred in respect to the Rosebel Royalty acquisition, as well as the operating costs funded by Golden Star to that time.

On January 7, 2005, the Company paid Golden Star $6 million of the purchase price of the Rosebel Royalty. A further $6 million is payable as at June 30, 2005: to the extent that this is not paid at that time, interest will accrue at the rate of 1% per month.

In the fourth quarter of 2004, as specified in the restructuring agreement, Golden Star assumed responsibility for all current payables for any Guyanor costs not related directly to obtaining the Rosebel royalty or to obtaining the debt closed in January 2005. As a result at the end of 2004, we recorded a receivable from Golden Star for all non-debt and non-royalty related payables. The receivable will be reduced as Golden Star furnishes cash to pay these old items.

7. Share Capital

At December 31, 2004 we had 45,002,884 common shares with a par value of Euro 0.01 per share

Share Capital of the Company consists of the following issued and outstanding shares as of December 31, 2004 and 2003:

	2004	2003
Class A Common Shares (2003 - 22,500,000 shares)		
Par	$ -	$ 314
Premium	-	8,648
	$ -	$ 8,962
Class B Common Shares (2003 - 22,502,884 shares)		
Par	$ -	$ 293
Premium	-	36,243
	$ -	$36,536
Common Shares (2004 – 45,002,884 shares)		
Par	$ 607	$ -
Premium	44,891	-
	$45,498	$ -
Total Share Capital	$45,498	$45,498

Share capital at December 31, 2004 and 2003, is net of issue and offering costs of approximately $2.8 million. Our Class A and Class B common shares were merged into a single class of common stock during 2004 which continue to trade on the Toronto Stock Exchange and the Nouveau Marché of the Paris Bourse.

8. Mineral Properties and Deferred Exploration

The mineral properties in which we have an interest (either directly or through our subsidiaries) consist of the Paul Isnard properties located in French Guiana. Our interests in the properties are held in the form of exploration permits, concessions, joint venture agreements and property purchase agreements. Exploration rights to our Paul Isnard property were optioned to Golden Star in an earn-in agreement over 100% of the 433 square kilometer property. The principal elements of the agreement are:

- Golden Star can earn a 50% interest in Paul Isnard by making three annual payments of $0.5 million to us and by spending a total of at least $2.0 million on exploration activities during the three year period ended September 8, 2007. The first of Golden Star's three $0.5 million annual Paul Isnard earn-in payments was made in 2004.
- Golden Star can earn up to a 70% interest in the Paul Isnard property by delivering a feasibility study and paying an additional $3.5 million to us within three years of the option agreement dated September 21, 2004.
- If Golden Star decides within five years of the September 8, 2004 date of the Option Agreement to proceed with development of the Paul Isnard property, it can purchase the remaining interest of Guyanor by making a payment of $5 million and paying a net smelter return royalty

- The Net Smelter royalty applies to the first 2,000,000 ounces of Paul Isnard gold production. The royalty is set at nil if gold prices are below $325 per ounce, 1% if gold prices are greater than $375 per ounces but less than $375 per ounce and 1.5% if gold prices equal or exceed $425 per ounce.

Other than required minimal care and maintenance costs, there was no project spending during 2004. Property holding and maintenance costs were expensed as general and administrative costs or as exploration costs. There were no deferred acquisition, exploration and development costs capitalized as of December 31, 2004 or 2003.

There has been a significant amount of illegal mining in French Guiana including operations on our properties. It is impossible to determine the exact amount of gold removed by the illegal miners. Local legal authorities are continuing to address the situation. There have been reported incidences of violence, which have complicated the authorities' efforts.

9. Stock Based Compensation

Under the Guyanor Ressources S.A. Stock Option Plan (the "Plan"), we may grant options to our employees for up to 4,367,889 common shares. An option's term is ten years. The options may take the form of non-qualified stock options, the exercise price of each option shall not be less than:

(i) the equivalent of the Canadian dollar amount equal to the closing price of the shares on the Toronto Stock Exchange on the trading day immediately prior to the day the option is granted and

(ii) 80% of the average closing price on the Nouveau Marché of the Bourse de Paris during the 20 consecutive trading days immediately preceding the date the option is granted.

Options under the Plan are granted from time to time at the discretion of the Company's Board of Directors and vest over periods ranging from immediately to three years.

During 2004 and 2003, no stock options were exercised. On December 31, 2004, the number of exercisable stock options was of 1,027,208. The following tables summarize information about stock options for the Plan:

	2004		2003	
	Options (000)	Exercise Price*	Options (000)	Exercise Price*
Outstanding at beginning of year	927	C$ 1.53	1,517	C$ 1.93
Granted	100	C$ 0.28	-	-
Exercised	-	-	-	-
Forfeited	-		(590)	-
Outstanding at end of year	1,027	C$ 1.41	927	C$ 1.53
Options exercisable at year-end	1,027	C$ 1.41	927	C$ 1.53
Weighted-average fair value of options granted during the year		C$ 0.13		n/a

*Weighted-Average Exercise Price

There were 100,000 new options granted during 2004 all of which vested immediately. There were nil options granted in 2003. The stock option expense recognized was $11,000 and nil for the years 2004 and 2003, respectively. The fair value of the new grants was established with a Black Sholes model using Cdn$0.28 strike price, a 50% expected volatility, a 3.63% risk-free interest rate, a five year expected option life and 0% dividend yield.

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Outstanding at Dec. 31, 2004 (000)	Weighted-Average Remaining Contractual Life (yrs)	Weighted-Average Exercise Price	Exercisable at Dec. 31, 2004 (000)	Weighted-Average Exercise Price
C$0.22 to C$1.64	604	6.8	C$0.35	604	C$0.35
C$2.10 to C$3.30	391	0.4	C$2.41	391	C$2.41
C$9.20	32	1.9	C$9.20	32	C$9.20
	1,027	4.2	C$1.39	1,027	C$1.39

10. Commitments and Contingencies

Environmental Regulations

We are not aware of any events of non-compliance in the Company's operations with environmental laws and regulations. The exact nature of environmental control problems, if any, which we may encounter in the future, cannot be predicted, primarily because of the changing character of environmental requirements that may be enacted within foreign jurisdictions.

11. Losses per Common Share

The following table reconciles basic and diluted losses per common share:

	2004	2003
Net loss for the year (thousands)	$(2,238)	$(2,519)
(millions of common shares)		
Weighted average number of common shares	45.0	45.0
Dilutive securities:		
Options	0.4	0.1
Weighted average number of dilutive common shares	45.4	45.1
Basic loss per share	$(0.050)	$(0.056)
Diluted loss per share	$(0.050)	$(0.056)

12. Subsequent Events

In January 2005, we drew down $6.0 million under a credit facility from a commercial bank and paid the funds to Golden Star as the first installment on the purchase price for the Rosebel Royalty, reducing the total amount owed to Golden Star for the participation right to $7.2 million. This bank loan is repayable in nine equal principal payments of $666,667 beginning July 29, 2005 and every three months thereafter. The interest rate is set at LIBOR plus 2.5%. Interest is fixed at 5.4% until July 2005 and is payable at the end that period.

In conjunction with the bank loan agreement, we entered into a cash-settled forward sales agreement in January 2005 with a financial institution which obligates us to sell 5,700 ounces of gold to the financial institution at the end of each three month period, beginning April 20, 2005 and every three months thereafter until July 20, 2007. When the average gold price for the prior three month period is less than $421 per ounce, the financial institution will pay an amount to us calculated as the product of (i) the difference between the average gold price per ounce and $421, and (ii) 5,700 ounces. If the prior three month average price exceeds $421 per ounce we will pay the financial institution an amount calculated as the product of (i) the difference between the average gold price per ounce and $421, and (ii) 5,700 ounces. The hedge is structured to offset the floating price nature of the Rosebel participation right by tying the participation right payments to a gold price of $421 per ounce.

13. Income Tax

Rate reconciliation:

	2004	2003
Net loss	$ 2,238	$ 2,519
Statutory tax rate	33%	33%
Tax benefit at statutory rate	738	831
Valuation allowance on future tax assets	(738)	(831)
Income tax expense	$ -0-	$ -0-