

RESTRUCTURING AGREEMENT

THIS AGREEMENT is as of dated August 11, 2004

BETWEEN

GOLDEN STAR RESOURCES LTD. of 10901 W. Toller Drive, Suite 300, Littleton, Colorado 80127-6312 (“**Golden Star**”)

AND

GUYANOR RESSOURCES S.A. of 9 Lotissement Mont Joyeux, BP 750, 97337 Cayenne Cedex, French Guiana (“**GRL**”)

WHEREAS:

- A. As at June 30, 2004, GRL owed \$16,748,000 consisting of principal and all accrued but unpaid interest, to Golden Star pursuant to the terms of the Restated and Amended Loan Agreement between them dated October 14, 2003, as amended from time to time (the “**Loan Agreement**”);
- B. GRL’s wholly owned subsidiary, Société de Travaux Publics et de Mines Aurifères en Guyane S.A.R.L. (“**SOTRAPMAG**”) holds eight mineral concessions in French Guiana;
- C. GRL holds an expired exploration permit for property in French Guiana, has applied for a five year renewal, and is currently waiting for a decision from the French Ministry of Industry as to whether the renewal will be granted;
- D. This Agreement sets out the basis on which Golden Star and GRL will restructure this debt and the basis on which Golden Star will acquire interests in certain of GRL’s assets; and
- E. The transactions contemplated by this Agreement are being undertaken so as to allow GRL to pursue the acquisition of prospective properties and other new business initiatives.

In consideration of the following mutual promises, THE PARTIES AGREE AS FOLLOWS:

1. Interpretation

1.1. In this Agreement the following terms have the following meanings:

“**Acquired Data**” means all of GRL’s regional exploration data for French Guiana (excluding all exploration and similar data related to the Yaou and Dorlin properties);

“**Claims**” means all claims, demands, legal proceedings, criminal, civil or administrative prosecutions or investigations, damages, costs and expenses, including legal fees and expenses on a solicitor and own client basis;

“Closing” means the execution and delivery of the Loan Amendment Agreement and the SOTRAPMAG Option Agreement and the execution, delivery and completion of the Data Acquisition Agreement as contemplated by this Agreement;

“Closing Time” means 11:00 a.m. (Vancouver time) on the Closing Date or such other time as the Parties may agree;

“Closing Date” means September 8, 2004 or such other date as the Parties may agree;

“Data Acquisition Agreement” means the data acquisition agreement in the agreed form between GRL and Golden Star, to be dated the Closing Date;

“Financing” means the completion of an issue of equity or equity related securities by GRL to third party investors for gross proceeds of not less than C\$15 million.

“French Ministry of Industry” means French Ministère de L'Économie des Finances et de L'Industrie;

“Indemnified Parties” means GRL, SOTRAPMAG and their respective directors, officers and employees as at the date of this Agreement;

“Loan Agreement” has the meaning given to it in Recital A;

“Loan Amendment Agreement” means the loan agreement in the agreed form between Golden Star and GRL to be dated the Closing Date;

“Parties” means the parties to this Agreement and **“Party”** means any one of them;

“SOTRAPMAG” has the meaning given to it in Recital B;

“SOTRAPMAG Joint Venture Agreement” means the proposed joint venture agreement between Golden Star, GRL and SOTRAPMAG that may be entered into pursuant to the SOTRAPMAG Option Agreement;

“SOTRAPMAG Option Agreement” means the Option Agreement in the agreed form between Golden Star, GRL and SOTRAPMAG with respect to the SOTRAPMAG Properties to be dated the Closing Date; and

“SOTRAPMAG Properties” means:

- (a) the eight mineral concessions at Paul Isnard in French Guiana held by SOTRAPMAG, which cover a total area of approximately 150 km² and expire on December 31, 2018; and

- (b) the Exclusive Exploration Permit at Paul Isnard in French Guiana held by GRL, which covered a total area of approximately 283 km² and expired on December 1, 2002 and in respect of which an application for renewal for a five year period and reduced surface area (approximately 199 km²) is currently awaiting a final decision from the French Ministry of Industry;

both as will be more fully described in the SOTRAPMAG Option Agreement.

1.2. In this Agreement:

- (a) *Gender, Number and Other Terms:* In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing gender include all genders, “or” is not exclusive and “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it.
- (b) *Headings and Table of Contents:* The inclusion of headings and a table of contents in this Agreement is for convenience only and will not affect the construction or interpretation of this Agreement.
- (c) *References to Whole Agreement:* Unless otherwise stated a reference in this Agreement to a designated section, subsection, paragraph or other subdivision or to a Schedule is to the designated section, subsection, paragraph or other subdivision of, or Schedule to, this Agreement.
- (d) *Statutes:* Unless otherwise stated, any reference to a statute includes and is a reference to such statute and to the regulations made pursuant to it, with all amendments to them and in force from time to time, and to any statute or regulations that may be passed which supplement or supersede such statute or such regulations.
- (e) *Currency:* Except where otherwise expressly provided, all monetary amounts in this Agreement are stated and will be paid in currency of the United States of America.
- (f) *No Strict Construction:* The language in all parts of this Agreement will in all cases be construed as a whole and neither strictly for nor strictly against any of the Parties to this Agreement.
- (g) *Consent:* Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the Party whose consent or approval is required will be conclusively deemed to have withheld its approval or consent.
- (h) *Agreed Form:* In this Agreement, the phrase “in the agreed form” means in the form agreed by the Parties or their counsel prior to execution of this Agreement and initialled by the Parties.

2. Debt Restructuring

- 2.1. At the Closing, Golden Star and GRL will execute and deliver the Loan Amendment Agreement, which will provide that the indebtedness due to Golden Star under the Loan Agreement will only be repayable if and when GRL returns to a sound financial situation as determined by the criteria set out in the Loan Amendment Agreement.

3. SOTRAPMAG Option Agreement

- 3.1. At the Closing, Golden Star and GRL will execute and deliver, and GRL will cause SOTRAPMAG to execute and deliver, the SOTRAPMAG Option Agreement, which will give Golden Star the option to acquire an interest in the SOTRAPMAG Properties.
- 3.2. On or before August 31, 2004, Golden Star will provide to the French Ministry of Industry, its guarantee of expected reclamation costs in respect of the SOTRAPMAG Properties in a form acceptable to the French Ministry of Industry.

4. Regional Exploration Data

- 4.1. At the Closing, Golden Star and GRL will execute, deliver and complete the Data Acquisition Agreement, pursuant to which GRL will sell to Golden Star and Golden Star will purchase from GRL, the Acquired Data for \$6 million.

5. Yaou and Dorlin

- 5.1. Reference is made to that certain Memorandum of Agreement dated 30 June 2004 among GRL, Société Minière Yaou Dorlin S.A.S., Société de Travaux Publics et de Mines Aurifères en Guyane S.A.R.L. and Auplata S.A.S. (“Auplata”), as amended from time to time (collectively, the “MOA”). If GRL does not complete the transaction contemplated by the MOA, Golden Star will cooperate with GRL to assist GRL to make alternate arrangements to exploit GRL’s direct or indirect interest in the Yaou and Dorlin properties.

6. Management Agreement

- 6.1. Reference is made to that certain restated and amended management services agreement made effective as of January 1, 2001 between GRL and Golden Star (the “Management Agreement”). The parties agree that effective upon the completion of the transactions contemplated by this Agreement, the Management Agreement shall be terminated. At that time, the parties will execute and deliver such documents as are required to reflect such termination. For greater certainty, GRL shall also release Golden Star from its promise not to compete with GRL in French Guiana pursuant to section 9 of the Management Agreement.

7. Indemnity and Insurance

- 7.1. Golden Star hereby releases and indemnifies the Indemnified Parties from and against all Claims directly relating to GRL or GRL’s business, operations, properties or other assets

in connection with any fact, matter or circumstance that occurred, arose or existed prior to the Closing Time.

- 7.2. If any claim is made by any person against an Indemnified Party in respect of which indemnity may be claimed pursuant to section 7.1, the Indemnified Party must, as soon as reasonably practicable, notify Golden Star of the nature of such claim and Golden Star will be entitled (but not required) to assume the defence of any suit or any proceedings, including arbitrations or negotiations, brought to enforce such claim or entered into by the Indemnified Party or Golden Star to resolve such claim.
- 7.3. The defence (including arbitrations or negotiations) of any such claim referred to in section 7.2 (whether assumed by Golden Star) will be conducted in a manner, acceptable to the Indemnified Party and Golden Star, acting reasonably, and no settlement or admission of liability, whether before or after a suit, if any is commenced, may be made by Golden Star or the Indemnified Party without the prior written consent of the other, which consent will not be unreasonably withheld. If Golden Star assumes the defence of any claim, including where the defence involves arbitrations or negotiations, then:
- (a) the Indemnified Party will co-operate with Golden Star and its counsel in the course of the defence, such co-operation to include providing or making available to Golden Star and its counsel documents and information and witnesses for attendance at examinations for discovery and trials, subject always to any and all applicable laws and solicitor and client privilege; and
 - (b) if the Indemnified Party retains additional counsel to act on its behalf, Golden Star and its counsel will co-operate with the Indemnified Party and its counsel, such co-operation to include providing or making available to the Indemnified Party and its counsel documents and information and witnesses for attendance at examinations for discovery and trials, subject always to any and all applicable laws and solicitor and client privilege; provided that, even though the indemnity obligations of Golden Star under section 7.1 will continue to apply, all fees and disbursements of such additional counsel will be paid by the Indemnified Party.
- 7.4. If:
- (a) Golden Star and the Indemnified Party are or become parties to the same claim, and the representation of all parties by the same counsel would be inappropriate due to a conflict of interest; or
 - (b) a conflict of interest exists in respect of the claim between the interests of the Indemnified Party and the interests of Golden Star, or some other person who may be represented by counsel retained by Golden Star,

then the Indemnified Party will be represented by separate counsel from the counsel representing Golden Star and the indemnity obligations of Golden Star under section 7.1 will continue to apply.

- 7.5. The entitlement of the Indemnified Parties under section 7.1 is not intended to be exclusive, but will be cumulative and in addition to every right, power and remedy existing or available to the Indemnified Parties at law or in equity.
- 7.6. Until Golden Star ceases to hold more than 20% of the issued and outstanding common shares of GRL, Golden Star will use its best efforts to continue to insure the directors and officers of Guyanor under Golden Star's directors and officers liability insurance policy.
- 7.7. On or before the date that Golden Star ceases to hold more than 20% of the issued and outstanding common shares of GRL, Golden Star will use its best efforts to purchase a run-off insurance policy to cover the directors and officers of Guyanor for any Claims relating to GRL or GRL's business, operations, properties or other assets in connection with any fact, matter or circumstance that occurred, arose or existed prior to the Closing Time.

8. Expenses and Support

- 8.1. Until the earlier of December 31, 2004 and the date on which GRL completes the Financing, Golden Star will at its cost, subject to sections 8.3 and 8.4:
- (a) fund GRL's reasonable operating costs, including the costs of pursuing and completing the transactions contemplated by this Agreement and all costs related to the pursuit and completion of the acquisition of new business interests of GRL and the completion of the Financing, together with management salaries, overhead and related infrastructure costs; and
 - (b) provide the necessary management support functions to GRL necessary to ensure that GRL meets its obligations of financial reporting and related statutory matters.
- 8.2. Until termination of the SOTRAPMAG Option Agreement and related joint venture, Golden Star will, subject to section 8.3, bear responsibility for all of all costs relating to the SOTRAPMAG Properties and GRL's management salaries, overhead and related infrastructure costs in French Guiana directly, or incurred by GRL in respect of SOTRAPMAG, the SOTRAPMAG Properties, the SOTRAPMAG Option agreement and related joint venture, and hereby indemnifies GRL with respect to such salaries, overhead and related infrastructure costs and any claims for compensation from employees, agents or consultants of GRL in French Guiana, including claims arising from termination of employment or other contractual relationship by GRL.
- 8.3. Notwithstanding sections 8.1 and 8.2, Golden Star will not be responsible for any cost or expense incurred by GRL that exceeds \$10,000, unless Golden Star shall have pre-approved in writing the incurrence of such cost or expense, such approval not to be unreasonably withheld, and provided that any cost or expense that has been contracted for prior to the date of this Agreement and any cost or expense that is contracted for or incurred by Golden Star for or on behalf of GRL shall not be subject to such requirement for pre-approval.

- 8.4. All severance costs, management salaries, overhead of GRL and related infrastructure costs incurred to the date of completion of the Financing will be written off by Golden Star to the extent that the amount owed to Golden Star exceeds \$16 million and the remaining amount will be governed by the Loan Amendment Agreement; provided that:
- (a) all costs directly related to the pursuit and completion of the acquisition of new business interests of GRL and the completion of the Financing, not including any amounts related to the restructuring agreement, activities in French Guiana or management functions and related professional services, that are paid with funds advanced by Golden Star will be reimbursed to Golden Star by GRL from the proceeds of such Financing;
 - (b) all compensation paid to the Directeur General after July 1, 2004 with funds advanced by Golden Star will be reimbursed to Golden Star by GRL from the proceeds of the Financing; and
 - (c) for greater certainty, all costs referred to in section 8.7 and funded by Golden Star shall not be subject to the Loan Amendment Agreement.
- 8.5. From the date of this Agreement until the date that Golden Star acquires all of the shares of SOTRAPMAG pursuant to the Option Agreement, Golden Star will at its own cost provide GRL with ongoing logistical, management and other support to maintain the legal existence and good standing of SOTRAPMAG in accordance with all applicable laws.
- 8.6. Golden Star will ensure that GRL has continuing appropriate access and support to ensure the continued monitoring of its residual interests in the SOTRAPMAG Properties and SOTRAPMAG. Golden Star will provide GRL with such information as Golden Star receives in respect of the YD Properties so as to allow GRL to monitor its residual interest in the YD Properties.
- 8.7. After closing of the Financing and until completion of the financial statements of GRL for the financial year ended December 31, 2004, Golden Star will, at GRL's cost, provide the necessary management support to GRL to meet its obligations of financial reporting and related statutory matters.
- 9. Preferential Subscription Rights**
- 9.1. If GRL conducts a rights issue, Golden Star will not take up the rights available to it in the rights issue; provided that Golden Star may take up such rights through a subsidiary or affiliate as may be necessary to allow Golden Star to maintain a shareholding of 20% of the issued and outstanding common shares of GRL.
- 9.2. If the directors of the Company propose to the shareholders a resolution authorizing the directors of the Company to issue securities with a waiver of preferential subscription rights, Golden Star will vote all of the shares of GRL that it then holds in favour of the authorization and the waiver of preferential subscription rights.

10. Conditions Precedent

- 10.1. The Closing will be conditional upon each of the following conditions being satisfied or waived:
- (a) approval by GRL's minority shareholders of the restructuring of the debt owed by the Company to Golden Star, including entering into this Agreement, the Loan Amendment Agreement, the SOTRAPMAG Option Agreement, the SOTRAPMAG Joint Venture Agreement and the Data Acquisition Agreement;
 - (b) approvals, as required, from the Autorité des Marchés Financiers, the Toronto Stock Exchange and the Nouveau Marché of the Paris Bourse with respect to GRL's completion of this Agreement, the Loan Amendment Agreement, the SOTRAPMAG Option Agreement, the SOTRAPMAG Joint Venture Agreement and the Data Acquisition Agreement; and
 - (c) in the opinion of the Parties, acting reasonably, no regulatory authority prohibiting or imposing onerous conditions with respect to the completion of this Agreement, the Loan Amendment Agreement, the SOTRAPMAG Option Agreement, the SOTRAPMAG Joint Venture Agreement and the Data Acquisition Agreement.
- 10.2. The conditions in sections 10.1(a) and 10.1(b) are for the sole benefit of GRL and will be waived if waived by GRL (in its sole discretion). The condition in section 10.1(c) is included for the benefit of both GRL and Golden Star and will be waived if waived by both GRL and Golden Star (each, in its sole discretion).
- 10.3. Each of the Parties will use its respective commercially reasonable efforts to, as soon as reasonably possible:
- (a) ensure that the conditions precedent in section 10.1 are satisfied; and
 - (b) negotiate and finalize the agreements and documents contemplated by this Agreement.

11. General

- 11.1. *Related Parties:* Golden Star represents and warrants to GRL that it does not have any direct or indirect interest in Auplata S.A.S. or in any of the properties or mineral tenures in which Auplata S.A.S. has an interest.
- 11.2. *No partnership or agency:* This Agreement does not create any partnership or agency relationship between the Parties.
- 11.3. *Termination:* This Agreement will terminate if:
- (a) the conditions precedent in section 10.1 have not been satisfied or waived by December 31, 2004; and

- (b) GRL has not completed an issue of equity or equity related securities to third parties for gross proceeds of not less than €3 million (or the equivalent in another currency) by December 31, 2004.
- 11.4. *Entire Agreement:* This Agreement, together with the Loan Amendment Agreement, the SOTRAPMAG Option Agreement, the SOTRAPMAG Joint Venture Agreement and the Data Acquisition Agreement constitutes the entire agreement between Golden Star and GRL pertaining to the subject matter of such agreements and supersedes all prior agreements, undertakings, negotiations and discussions, whether oral or written, between Golden Star and GRL, including the Memorandum of Understanding dated May 26, 2004, and there are no warranties, representations, covenants, obligations or agreements between the Golden Star and GRL with respect to the subject matter of such agreements.
- 11.5. *Disclosure:* The Parties will consult with each other with respect to new releases or other public disclosure of the existence or terms of this Agreement prior to making the public disclosure, subject to any securities legal or stock exchange requirement.
- 11.6. *Survival:* The terms of this Agreement, including the indemnification provisions, will survive the completion of the transactions contemplated by this Agreement, including the execution, delivery and completion of the Loan Amendment Agreement, the SOTRAPMAG Option Agreement, the SOTRAPMAG Joint Venture Agreement and the Data Acquisition Agreement.
- 11.7. *Invalidity:* Each of the provisions contained in this Agreement is distinct and severable and a determination of illegality, invalidity or unenforceability of any such provision or part of this Agreement by a court of competent jurisdiction will not affect the validity or enforceability of any other provision of this Agreement, unless as a result of such determination this Agreement would fail in its essential purposes.
- 11.8. *Notices:* Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party to any other Party in writing may be given by facsimile transmission or by delivery addressed to the Party to which the notice is to be given at its facsimile number or address for service set out below. Any notice, consent, waiver, direction or other communications given under this section 11.8 will be deemed to have been given and received:
- (a) if delivered, on the date on which it was delivered to the address provided in this Agreement (if a business day at the point of delivery and, if not, the next business day); and
 - (b) if sent by facsimile transmission, at the time of receipt (unless actually received after 4:00 p.m. at the point of receipt or on a day that is not a business day at the point of receipt, in which case it will be deemed to have been given and received on the next business day).


- 11.9. *Changes or waivers:* No change may be made to this Agreement, and no provision may be waived, unless all Parties agree in writing to the change or waiver.
- 11.10. *Assignment:* This Agreement may not be assigned without the consent of the other Party.
- 11.11. *Counterparts:* This Agreement may be executed in counterparts.
- 11.12. *Governing Law and Jurisdiction:* This Agreement will be governed by the laws of the Province of Ontario and the laws of Canada applicable in Ontario. The Parties submit to the non-exclusive jurisdiction of the courts of the Province of Ontario.
- 11.13. *Binding Effect:* This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. In addition, GRL may enforce as agent and trustee for the other Indemnified Parties the provisions of this Agreement relating to the other Indemnified Parties.

The Parties have executed this Agreement by their authorized signatories, effective as of the date first written above.

GOLDEN STAR RESOURCES LTD.

By: _____
Authorized Signatory
Name:

GUYANOR RESSOURCES S.A.

By: 
Authorized Signatory
Name: James H. Dunnett

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The Parties have executed this Agreement by their authorized signatories, effective as of the date first written above.

GOLDEN STAR RESOURCES LTD.

By: _____
Authorized Signatory
Name: **ALLAN J. MARTER, CFO**

GUYANOR RESSOURCES S.A.
By: _____
Authorized Signatory
Name: