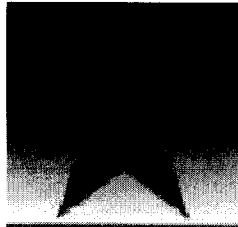


GUYANOR RESSOURCES S.A.



**GUYANOR
RESSOURCES SA**

QUARTERLY REPORT TO SHAREHOLDERS FIRST QUARTER 2005

Notice to Reader:

The accompanying unaudited interim financial statements for the quarter ended March 31, 2005 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. The Company's auditors have not reviewed these statements. Financial information is presented in United States dollars and in accordance with accounting principles generally accepted in Canada.

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

	As of March 31, 2005	As of December 31, 2004
ASSETS		
CURRENT ASSETS		
Cash	\$ 59	\$ 1
Accounts receivable (net of doubtful accounts)	69	68
Due from Golden Star Resources Ltd. (Note 2)	396	497
Due from Cambior Inc. (Note 3)	1,088	-
Other current assets	2	2
Total Current Assets	1,614	568
PROPERTY, PLANT AND EQUIPMENT (Net of accumulated depreciation of \$1,982 and \$1,979 respectively)		
	15	18
Loan acquisition costs (Note 4)	1,132	-
Rosebel royalty (Note 3)	13,199	13,553
Total Assets	\$ 15,960	\$ 14,139
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 639	\$ 654
Bank loan (Note 5)	2,075	-
Due to Golden Star Resources Ltd. (Notes 2 and 5)	6,657	12,366
Total Current Liabilities	9,371	13,020
LONG-TERM LIABILITIES		
Fair value of derivatives (Note 4)	958	-
Bank loan (Note 5)	4,000	-
Due to Golden Star Resources Ltd. (Notes 2 and 5)	1,402	1,186
Total Liabilities	15,731	14,206
SHAREHOLDERS' FUNDS		
SHARE CAPITAL (Note 6)	45,498	45,498
CONTRIBUTED SURPLUS	17,443	17,443
CONTRIBUTED SURPLUS – STOCK BASED COMPENSATION	68	11
RETAINED DEFICIT	(62,780)	(63,019)
Total Shareholders' Equity (Deficit)	229	(67)
Total Liabilities and Shareholders' Funds	\$ 15,960	\$ 14,139

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)
(Unaudited)

	For the three months ended March 31,	
	2005	2004
REVENUES		
Royalties, interest and other	\$ 1,109	\$ 29
EXPENSES		
General and administrative	112	406
Hedge	36	-
Depreciation and amortization	366	3
Stock based compensation (Note 7)	57	-
Debt accretion	216	-
Interest (Note 5)	82	245
Exploration	-	47
Foreign exchange loss	1	12
Total Expenses	870	713
NET INCOME (LOSS)	239	(684)
RETAINED DEFICIT – BEGINNING OF QUARTER	(63,019)	(60,781)
RETAINED DEFICIT – END OF QUARTER	\$ (62,780)	\$ (61,465)
NET INCOME (LOSS) PER SHARE - Basic (Note 9)	\$ 0.005	\$ (0.015)
NET INCOME (LOSS) PER SHARE - Diluted (Note 9)	\$ 0.005	\$ (0.015)
WEIGHTED AVERAGE SHARES OUTSTANDING (in millions of shares)	45.0	45.0

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)
(Unaudited)

	For the three months ended March 31,	
	2005	2004
OPERATING ACTIVITIES:		
Net income (loss)	\$ 239	\$ (684)
Reconciliation of net loss to net cash used in operations:		
Depreciation and amortization	366	3
Stock based compensation	57	-
Accretion of amount due Golden Star for royalty	216	
Changes in operating working capital	(1,003)	(4)
Net cash used in operating activities	(125)	(685)
FINANCING ACTIVITIES:		
Bank loan	6,075	-
Loan acquisition costs	(183)	
Increase in amount due to Golden Star	75	692
Decrease in amounts due to Golden Star	(5,784)	-
Net cash provided by financing activities	183	692
Increase in cash	58	7
Cash and short-term investments – beginning of period	1	14
Cash and short-term investments - end of period	\$ 59	\$ 21

Summary of non-cash transactions:

	Three months ended March 31	
	<u>2005</u>	<u>2004</u>
Loan acquisition costs	\$1,070	\$ -
Fair value of derivatives	(1,070)	-

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

GUYANOR RESSOURCES S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004
(Stated in thousands of United States dollars)
(Unaudited)

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada and should be read in conjunction with the consolidated financial statements and notes thereto included in our December 31, 2004 Annual Report. These interim financial statements are prepared on a consistent basis with those included in the 2004 Annual Report and follow the same accounting policies and methods of application.

1. Formation and Description of Our Business

Guyanor was incorporated under the laws of France on April 20, 1993. The Company is a subsidiary of Golden Star Resources Ltd (“Golden Star”), which currently owns approximately 52.2% 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.T” and on the Nouveau Marché of the Bourse de Paris in France under the symbol “GOR”.

From our inception until late 2004 the Company was focused on exploration for gold and diamonds in French Guiana. The Company’s principal source of funding since its inception has been through public equity offerings and loans from Golden Star.

During 2004 the shareholders approved a financial restructuring that included the forgiveness of the then existing debt owed to Golden Star. The shareholders also approved the acquisition of the Rosebel Gold Mine royalty (the “Rosebel Royalty”) from Golden star. The Company intends to focus on acquisition of similar royalties on operating gold mines.

2. Due to and from Golden Star Resources Ltd

Amounts due to Golden Star represent amounts incurred by Golden Star on our behalf, all such amounts being related to i) costs directly related to the acquisition of the Rosebel Royalty, ii) amounts directly related to obtaining the \$6.0 million loan in the first quarter and iii) general and operating costs incurred since January 1, 2005.

In accordance with the Restructuring Agreement, all other costs incurred by the Company during 2004 were the responsibility of Golden Star and we have recorded a receivable of \$0.4 million from Golden Star for amounts sufficient to liquidate all of these items.

3. Rosebel Royalty Acquisition

On December 31, 2004, we purchased the Rosebel Royalty from Golden Star for consideration of \$12.0 million plus further consideration calculated as a portion of future royalty proceeds received on production from the Rosebel mine in excess of 2.0 million ounces. We have determined that the fair value of the potential future payments on ounces in excess of 2.0 million is approximately \$1.2 million. In addition we incurred \$0.4 million of acquisition costs bringing the total Rosebel Royalty costs to approximately \$13.6 million. As a result of this purchase, as at December 31, 2004, we recorded a current liability for the Rosebel 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 30, 2005). Additional payments will be made to Golden Star if cumulative production subject to the royalty 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.

The royalty asset is being amortized by the units of production method over the ounces of gold expected from the Rosebel mine which are subject to the royalty.

4. Hedges and Derivatives

In January 2005 we entered into a gold derivative position as part of a \$6.0 million bank loan agreement (see Note 5). At that date Guyanor entered into a forward gold sale derivative contract for 57,000 ounces at a fixed price of \$421 over a period of ten quarters. Mark to market pricing of the derivative resulted in the recording of a \$1.1 million liability and a \$1.1 million loan acquisition cost asset at the January 2005 borrowing date. The asset and the liability will be amortized over the two and one half year life of the bank loan.

As of March 31, 2005 the gold forward derivative contract had a negative mark-to-market of \$1.3 million. We have designated this derivative as a hedge of a future royalty stream and consequently the change in the fair value of this derivative will be recognized in earnings when the hedged item is realized.

We have the following derivative contracts at March 31, 2005:

Gold Forward Contracts:	2005	2006	2007	2008	Total/ Average
Ounces (thousands)	17.1	22.8	11.4	-	51.3
Average Price (US\$)	421	421	421	-	421

5. Debt

In January 2005, we drew down \$6.0 million under a credit facility from a bank. The loan is repayable in nine equal 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 payable at the end of each 1, 2 or 3 month period as Guyanor may choose. The loan is collateralized by our assets, including the Rosebel royalty. The lender has full security over proceeds of the Royalty and distributions by the Company are restricted by the covenants of the loan.

In addition, our purchase of the Rosebel Royalty from Golden Star required us to make two \$6.0 million payments to Golden Star. The first \$6.0 million was paid in January 2005 and the second \$6.0 million payment is scheduled on June 30, 2005. In the event that this second payments is not made at that time, there is no provision for default, interest will accrue at 12% per annum and any payments to Golden Star are restricted by covenants of the loan agreement..

Additional payments will be made to Golden Star when cumulative gold production from the Rosebel mine exceeds 2 million ounces (see Note 3). All future payments owed to Golden Star have been recorded at fair value. Each period the amount due Golden Star is accreted using a method that will increase the liability to the full undiscounted amount by the time the future payments are made.

6. Share Capital

At March 31, 2005 we had 45,002,884 common shares with a par value of Euro 0.01 per share. There were no new shares issued during the first quarter of 2005.

Common Shares	<u>As of March 31, 2005</u>
Par	\$ 607
Premium	44,891
Total Share Capital	<u>\$45,498</u>

7. Stock Based Compensation

There were 400,000 new options granted during the first quarter of 2005 all of which vested immediately. There were no options granted during the first quarter of 2004. We recognized stock option expense of \$57,000 and nil for the first quarter of 2005 and 2004, respectively. The fair value of the new grants in 2005 was established with a Black-Scholes model using Cdn\$0.36 strike price, a 50% expected volatility, a 3.63% risk-free interest rate, a five year expected option life and 0% dividend yield.

The following tables summarize information about stock options for the Plan:

Stock Options Summary	Options (000)	Exercise Price*
Outstanding at December 31, 2004	1,027	C\$ 1.41
Granted	400	C\$ 0.36
Exercised	-	-
Forfeited	(340)	C\$ 2.19
Outstanding at March 31, 2005	1,087	C\$ 0.79
Options exercisable at March 31, 2005	1,087	C\$ 0.79
Weighted-average fair value of options granted during the quarter		C\$ 0.36

*Weighted-Average Exercise Price

8. 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.

9. Income/(Loss) per Common Share

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

	For the three months ended March 31,	
	<u>2005</u>	<u>2004</u>
Net income/(loss)	\$ 239	\$ (684)
(millions of common shares)		
Weighted average number of common shares	45.0	45.0
Dilutive securities:		
Options	<u>0.5</u>	<u>0.1</u>
Weighted average number of dilutive common shares	<u>45.5</u>	<u>45.1</u>
Basic income/(loss) per share	\$ 0.005	\$(0.015)
Diluted income/(loss) loss per share	\$ 0.005	\$(0.015)

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 Quarterly 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 Quarterly Report. These statements include comments regarding exploration plans and the closing of certain transactions including acquisitions.

RESULTS OF OPERATIONS

Overview

Guyanor Ressources pursues a business policy of owning certain gold exploration properties in French Guiana and of acquiring and holding mineral royalties. We currently own a royalty (the Rosebel Royalty”) in the Rosebel gold mine in Suriname which is owned and operated by Cambior Inc. We receive quarterly payments from Cambior Inc. on this royalty. We are actively seeking to acquire additional royalty rights.

Prior to 2005 we were engaged in the business of gold and diamond exploration in French Guiana. During 2004 we completed a financial restructuring which among other things, waived our then existing debt to Golden Star who owns 52.2% of our common shares and who had funded most of our activities with loans since the late 1990s.

Debt

Upon completion of the restructuring in late 2004 we purchased the Rosebel Royalty from Golden Star for \$13.5 million. In January 2005 we borrowed \$6.0 million from a commercial bank and used the funds as the initial installment due to Golden Star for the purchase price. 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 are not able to make payment at that time and interest on such deferred amount will accrue at 12% per annum. 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, as permitted by the covenants of the commercial loan agreement, until this payment is complete.

Three months ended March 31, 2005 compared to three months ended March 31, 2004

We recorded net income of \$0.2 million during the first three months of 2005, compared to a \$0.7 million loss for the first three months of 2004. Revenue from the Rosebel Royalty, of \$1.1 million was the major factor contributing to the increase in revenues as compared to the same quarter of 2004. First quarter 2005 costs increased by \$0.2 million from the same period of 2004. Amortization of the royalty acquisition purchase price and accretion of additional liability for future amounts due Golden Star were the major factors responsible for the increase.

In the first quarter of 2004, most of the costs related to maintaining an office and staff in Cayenne, French Guiana and to exploration property holding costs. The Cayenne office was closed in late 2004 and all employees were either transferred to Golden Star or were terminated. In 2005, property holding costs have been substantially reduced through the sale of certain properties and the optioning of the remaining properties to Golden Star who is now responsible for such costs.

While corporate operating costs have been substantially reduced in 2005 compared to 2004, the entity holding costs such as stock transfer charges, exchange listing fees, board costs and audit costs continue.

KEY FINANCIAL DATA

All data in table in thousands of dollars except for dividends.

	<u>2004</u>	<u>2004</u>	<u>2004</u>	<u>2005</u>
	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 1</u>
Total revenues	\$ 22	\$ 24	\$ 22	\$ 1,109
Loss from continuing operations	(683)	(742)	(129)	(125)
Net profit / (loss)	(683)	(742)	(129)	239
Total assets	152	153	14,139	15,960
Total long-term financial liabilities	-	-	1,186	6,360
Cash dividends declared	-	-	-	-

	<u>2003</u>	<u>2003</u>	<u>2003</u>	<u>2004</u>
	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 1</u>
Total revenues	\$ 17	\$ 10	\$ 64	\$ 29
Loss from continuing operations	(533)	(540)	(854)	(684)
Net loss	(533)	(540)	(854)	(684)
Total assets	136	167	156	152
Total long-term financial liabilities	-	-	-	-
Cash dividends declared	-	-	-	-

LIQUIDITY AND CAPITAL RESOURCES

Consolidated cash as of March 31, 2005 totaled \$59,000, versus nil at December 31, 2004. During the quarter we received substantially all of our funding from Golden Star. In late April 2005 we received \$1.1 million from Cambior Inc. per terms of the Rosebel Royalty. We expect to pay approximately \$0.7 million of this to Golden Star for their funding of our activities since the Restructuring. We anticipate that future quarterly royalty payments will be sufficient to meet all of our operational and debt service requirements.

Outlook

During 2005, the Rosebel Royalty is expected to provide cash flow to the Company of about \$4.0 million assuming a gold price of around \$425 per ounce net of hedging and current gold production levels at the Rosebel gold mine. We expect this will be adequate to meet all corporate and related expenses, including debt service. We continue to actively review opportunities to raise additional debt or equity funding to provide capital for the acquisition of additional royalty interests and to repay or restructure existing corporate obligations.

RELATED PARTY TRANSACTIONS

Guyanor's restructuring efforts initiated in 2004 continued in the first quarter of 2005. On January 8, 2005 Guyanor borrowed \$6.0 million from a commercial bank and paid the full amount to Golden Star as the first installment for the Rosebel royalty which Guyanor purchased in December 2004. Guyanor is seeking additional funding to pay the second \$6.0 million installment due Golden Star by June 30, 2005. Covenants in the January 2005 loan agreement preclude Guyanor from acquiring any additional debt without the bank's approval.

Golden Star continued funding Guyanor's operating expenses through the end of April 2005 when Guyanor received its first royalty payment from Cambior Inc. We expect to repay approximately \$0.7 million to Golden Star to cover expenses paid by Golden Star on Guyanor's behalf since September 2004. After April 2005, Guyanor expects to be able to fund all of its future operational cash needs from future royalty receipts.

HEDGING

As required by the loan agreement, we entered into a cash-settled forward sales agreement in January 2005 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 Guyanor equal to the difference between the average price and \$421 times 5,700 ounces. If the prior three month average price exceeds \$421 per ounce we will pay the financial institution an amount equal to the difference between the average price and \$421 per ounce times 5,700 ounces. The hedge is structured to offset the floating price nature of the Rosebel royalty by tying a portion of the royalty payments to a gold price of \$421 per ounce. Gold prices averaged \$427 per ounce during the first quarter of 2005 resulting in a payment to the bank of \$36,000 on the first 5,700 ounce tranche of the hedge.

DEBT AND CONTRACTUAL OBLIGATIONS

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 year	1 - 3 years	4- 5 years	After 5 years
Long Term Debt					
Golden Star Resources Ltd.	\$ 10,607	\$ 6,657	\$ -	\$ 590	\$ 3,360
Macquarie Bank	6,075	2,075	4,000	-	-
Total Contractual Obligations	\$ 16,682	\$ 8,732	\$ 4,000	\$ 590	\$ 3,360

The amounts shown above are undiscounted to show full expected cash requirements, in thousands of dollars.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our financial statements reflect the application of Cdn GAAP. The accounting policies reflected therein are generally those applied by similarly situated mining companies in Canada. Our accounting policies under Canadian GAAP are described in Note 4 of our consolidated financial statements as found in our 2004 Annual Report.

Preparation of our consolidated financial statements requires the use of estimates and assumptions that can affect reported amounts of assets, liabilities, revenues and expenses. Accounting policies relating to current and future values, depreciation and amortization of bank loans, future royalty payments, equipment, and expense accruals are subject to estimates and assumptions regarding reserves, gold recoveries, future gold prices and future mining activities.

Decisions to write off, or not to write off, all or a portion of our investment in various properties, especially exploration properties, subject to impairment analysis are based on our judgment as to the actual value of the properties and are therefore subjective in most cases. We have written off substantially all of our investments in exploration properties based upon our assessments of the amounts recoverable from these properties. We continue to retain title to certain properties after impairment write-offs as future events and discoveries may ultimately prove that they have significant value.

SHARE CAPITAL

At March 31, 2005 we had 45,002,884 common shares with a par value of Euro 0.01 per share. There were no new shares issued in the first quarter of 2005.

	<u>As of March 31, 2005</u>
Common Shares	
Par	\$ 607
Premium	44,891
Total Share Capital	<u>\$45,498</u>

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.

This Management's Discussion and Analysis of Financial Condition and Results of Operation includes information available to May 13, 2005. As of May 13, 2005 there were 45,002,884 common shares outstanding.

ADDITIONAL INFORMATION

Additional information relating to Guyanor Ressources S.A. is available on SEDAR at www.sedar.com. 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