
Independent Auditor's Report

To the Shareholders of Golden Star Resources Ltd.:

We have completed an integrated audit of Golden Star Resources Ltd.'s (the Company) 2013 consolidated financial statements and its internal control over financial reporting as at December 31, 2013 and an audit of its 2012 consolidated financial statements. Our opinions, based on our audits, are presented below.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of the Company, which comprise the consolidated balance sheets as at December 31, 2013, December 31, 2012 and January 1, 2012 and the consolidated statements of operations, comprehensive income (loss), cash flows, and changes in shareholders' equity for the years ended December 31, 2013 and 2012, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. Canadian generally accepted auditing standards also require that we comply with ethical requirements.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting principles and policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2013, December 31, 2012 and January 1, 2012 and its financial performance and its cash flows for the years ended December 31, 2013 and 2012 in accordance with IFRS as issued by the IASB.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

We have also audited the Company's internal control over financial reporting as at December 31, 2013, based on criteria established in Internal Control-Integrated Framework (1992), issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We conducted our audit of internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

An audit of internal control over financial reporting includes obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control, based on the assessed risk, and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our audit opinion on the Company's internal control over financial reporting.

DEFINITION OF INTERNAL CONTROL OVER FINANCIAL REPORTING

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as at December 31, 2013, based on criteria established in Internal Control-Integrated Framework (1992) issued by COSO.

PricewaterhouseCoopers LLP

February 19, 2014

Chartered Professional Accountants, Licensed Public Accountants

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Golden Star Resources Ltd.

Consolidated Statements of Operations

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(Stated in thousands of U.S. dollars except shares and per share data)

years ended December 31,

	NOTES	2013	2012
			(NOTE 27)
REVENUE		467,796	550,540
Cost of sales excluding depreciation and amortization	17	377,140	373,543
Depreciation and amortization		59,966	89,353
MINE OPERATING MARGIN		30,690	87,644
OTHER EXPENSES/(INCOME)			
Exploration expense		1,667	2,788
General and administrative		21,515	24,106
Property holding costs		7,018	9,862
Finance expense, net	18	9,841	13,125
Other income	19	(2,163)	(24,814)
(Gain)/loss on fair value of 4% and 5% Convertible Debentures		(51,967)	27,985
Derivative mark-to-market loss		—	162
Impairment charges	21	355,624	6,972
(LOSS)/INCOME BEFORE TAX		(310,845)	27,458
Income tax (recovery)/expense	10	(12,331)	17,756
NET (LOSS)/INCOME		(298,514)	9,702
Net (loss)/income attributable to non-controlling interest		(32,622)	2,516
NET (LOSS)/INCOME ATTRIBUTABLE TO GOLDEN STAR SHAREHOLDERS		(265,892)	7,186
NET (LOSS)/INCOME PER SHARE ATTRIBUTABLE TO GOLDEN STAR SHAREHOLDERS			
Basic and diluted	16	(1.03)	0.03
Weighted average shares outstanding (millions)		259.1	258.9

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

Golden Star Resources Ltd.**Consolidated Statements of Comprehensive Income/(Loss)**

(Stated in thousands of U.S. dollars)

For the years ended December 31,

	NOTES	2013	2012
			(NOTE 27)
OTHER COMPREHENSIVE INCOME/(LOSS)			
NET (LOSS)/INCOME		(298,514)	9,702
Unrealized gain/(loss) on investments, net of taxes		(7,626)	(2,694)
Transferred to net income/(loss), net of taxes		1,370	6,972
COMPREHENSIVE (LOSS)/INCOME		(304,770)	13,980
Comprehensive (loss)/income attributable to non-controlling interest		(32,622)	2,516
COMPREHENSIVE (LOSS)/INCOME ATTRIBUTABLE TO GOLDEN STAR SHAREHOLDERS		(272,148)	11,464

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

Golden Star Resources Ltd.

Consolidated Balance Sheets

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(Stated in thousands of U.S. dollars)

As of	NOTES	DECEMBER 31, 2013	DECEMBER 31, 2012	JANUARY 1, 2012
			(NOTE 27)	(NOTE 27)
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		65,551	78,884	103,644
Accounts receivable		8,200	11,896	10,077
Inventories	6	67,725	82,979	74,140
Available for sale investments	7	—	15,034	1,416
Prepays and other		6,852	11,266	8,522
TOTAL CURRENT ASSETS		148,328	200,059	197,799
RESTRICTED CASH		2,029	2,028	1,273
PROPERTY, PLANT AND EQUIPMENT	8	83,850	191,773	178,531
MINING PROPERTIES	8	81,343	249,827	232,075
EXPLORATION AND EVALUATION ASSETS	9	9,747	10,862	16,730
INTANGIBLE ASSETS		446	1,511	2,759
OTHER ASSETS		—	—	895
DEFERRED TAX ASSETS	10	—	235	—
TOTAL ASSETS		325,743	656,295	630,062
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	11	108,983	101,760	92,088
Current portion of rehabilitation provisions	12	7,783	9,721	8,996
Current tax liability		9,506	12,393	197
Current portion of long term debt	13	10,855	6,968	128,459
TOTAL CURRENT LIABILITIES		137,127	130,842	229,740
LONG TERM DEBT	13	83,387	110,507	10,759
REHABILITATION PROVISIONS	12	78,527	53,598	54,315
DEFERRED TAX LIABILITY	10	—	33,172	27,575
TOTAL LIABILITIES		299,041	328,119	322,389
Commitments and contingencies	14			
SHAREHOLDERS' EQUITY				
SHARE CAPITAL				
First preferred shares, without par value, unlimited shares authorized. No shares issued and outstanding		—	—	—
Common shares, without par value, unlimited shares authorized.		694,906	694,652	693,899
CONTRIBUTED SURPLUS		29,346	26,304	20,534
ACCUMULATED OTHER COMPREHENSIVE INCOME		—	6,256	1,978
DEFICIT		(652,544)	(386,652)	(393,838)
TOTAL GOLDEN STAR EQUITY		71,708	340,560	322,573
NON-CONTROLLING INTEREST	22	(45,006)	(12,384)	(14,900)
Total Equity		26,702	328,176	307,673
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		325,743	656,295	630,062

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

Signed on behalf of the Board,
Timothy C. Baker, Director

William L. Yeates, Director

Golden Star Resources Ltd.

Consolidated Statements of Cash Flows

(Stated in thousands of U.S. dollars)

For the years ended December 31,

	NOTES	2013	2012
			(NOTE 27)
OPERATING ACTIVITIES			
Net (loss)/income		(298,514)	9,702
Reconciliation of net income/(loss) to net cash provided by operating activities:			
Depreciation and amortization		60,008	89,442
Amortization of loan acquisition costs		—	895
(Gain)/loss on sale of assets		(1,271)	(24,991)
Write-off of unsuccessful exploration costs		1,333	—
Impairment charges		355,624	6,972
Loss on extinguishment of debt		—	568
Share-based compensation	15	3,013	6,542
Deferred income tax (recovery)/expense	10	(32,936)	5,363
Fair value of derivatives loss		—	162
Fair value loss/(gain) on convertible debentures	5	(51,967)	27,985
Accretion of rehabilitation provisions		592	593
Reclamation expenditures		(5,657)	(6,203)
Changes in working capital	24	28,918	6,064
NET CASH PROVIDED BY OPERATING ACTIVITIES		59,143	123,094
INVESTING ACTIVITIES			
Additions to mining properties		(69,725)	(76,013)
Additions to property, plant and equipment		(32,924)	(40,569)
Additions to exploration and evaluation assets		(218)	(717)
Change in accounts payable and deposits on mine equipment and material		(5,695)	5,518
Cash used for equity investments		—	(938)
Increase in restricted cash		—	(755)
Proceeds from sale of assets		7,200	15,616
NET CASH USED IN INVESTING ACTIVITIES		(101,362)	(97,858)
FINANCING ACTIVITIES			
Principal payments on debt		(7,876)	(58,806)
Proceeds from debt agreements and equipment financing		36,610	8,510
Exercise of options		152	300
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		28,886	(49,996)
Decrease in cash and cash equivalents		(13,333)	(24,760)
Cash and cash equivalents, beginning of period		78,884	103,644
CASH AND CASH EQUIVALENTS, END OF PERIOD		65,551	78,884

See Note 24 for supplemental cash flow information.
The accompanying notes are an integral part of the consolidated financial statements.

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Golden Star Resources Ltd. Consolidated Statements of Changes in Shareholders' Equity

(Stated in thousands of U.S. dollars except shares data)

	NUMBER OF COMMON SHARES	SHARE CAPITAL	CONTRIBUTED SURPLUS	ACCUMULATED OTHER COMPREHENSIVE INCOME/(LOSS)	DEFICIT	NON- CONTROLLING INTEREST	TOTAL SHAREHOLDERS' EQUITY
Balance at January 1, 2012 (Note 27)	258,669,487	693,899	20,534	1,978	(393,838)	(14,900)	307,673
Shares issued under options/DSU's	181,474	445	(1,375)	—	—	—	(930)
Bonus shares issued	165,009	308	—	—	—	—	308
Options granted net of forfeitures	—	—	6,542	—	—	—	6,542
DSU's granted	—	—	603	—	—	—	603
Unrealized loss on investments	—	—	—	(2,694)	—	—	(2,694)
Transferred to net income, net of taxes	—	—	—	6,972	—	—	6,972
Net income	—	—	—	—	7,186	2,516	9,702
Balance at December 31, 2012 (Note 27)	259,015,970	694,652	26,304	6,256	(386,652)	(12,384)	328,176
Shares issued under options	90,000	254	(102)	—	—	—	152
Options granted net of forfeitures	—	—	2,444	—	—	—	2,444
DSU's granted	—	—	700	—	—	—	700
Unrealized loss on investments	—	—	—	(7,626)	—	—	(7,626)
Transferred to net loss, net of taxes	—	—	—	1,370	—	—	1,370
Net loss (298,514)	—	—	—	—	(265,892)	(32,622)	
Balance at December 31, 2013	259,105,970	694,906	29,346	—	(652,544)	(45,006)	26,702

There were no treasury shares held as of December 31, 2013, December 31, 2012 or January 1, 2012.

The accompanying notes are an integral part of the consolidated financial statements