

GOLDEN STAR RESOURCES LTD.

FORM 8-K (Current report filing)

Filed 03/10/11 for the Period Ending 03/09/11

Telephone	416 583 3800
CIK	0000903571
Symbol	GSS
SIC Code	1040 - Gold And Silver Ores
Industry	Gold & Silver
Sector	Basic Materials
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 9, 2011

GOLDEN STAR RESOURCES LTD.

(Exact name of registrant as specified in its charter)

CANADA
(State or other jurisdiction of
incorporation or organization)

1-12284
(Commission
File Number)

98-0101955
(I.R.S. Employer
Identification Number)

**10901 West Toller Drive,
Suite 300 Littleton, Colorado**
(Address of principal executive offices)

80127-6312
(Zip Code)

Registrant's telephone number, including area code: 303-830-9000

No Change

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

(b) D. Scott Barr resigned from his position as Executive Vice President and Chief Operating Officer of Golden Star Resources Ltd. (the "Company") effective March 9, 2011. Mr. Barr is no longer an officer of the Company, but shall continue with the Company in the position of Advisor to the President and Chief Executive Officer and Chief Operating Officer. Mr. Barr's amended and restated employment agreement with the Company provides for an annual base salary of \$200,000 and that he shall retire on April 15, 2012 unless the Corporation extends his employment term in its discretion. Upon retirement or if he is terminated without cause before retirement, Mr. Barr is eligible to receive accrued compensation plus Consolidated Omnibus Budget Reconciliation Act of 1986, as amended (COBRA) and health insurance benefits for himself and his family until he reaches age 65.

(c) Effective March 9, 2011, Sam Coetzer, age 51, was appointed Executive Vice President and Chief Operating Officer of the Company. Mr. Coetzer has over 24 years of international mining experience, having held increasing levels of responsibility in various mining companies including Kinross Gold Corporation, Xstrata Nickel, Xstrata Coal South Africa, and Placer Dome, with particular emphasis on integration and streamlining of operations. From February 2010 until joining the Corporation, he was the Senior Vice-President, Red Back Integration, and from May 2009 to February 2010 he was Senior Vice-President, South American Operations, for Kinross Gold Corporation. In this role, Mr. Coetzer was responsible for overseeing the Kinross assets in Brazil, Chile and Ecuador. From June 2007 to October 2008, Mr. Coetzer was the Chief Operating Officer of Xstrata Nickel and from March 2006 to June 2007 he was Chief Operating Officer of Xstrata Coal South Africa. Mr. Coetzer also has significant experience in Africa, having been with Placer Dome Inc.'s South African and Tanzanian operations since 1996, most recently as the Managing Director - South Africa and the Executive General Manager - Tanzania from 2003 to 2005.

The Company entered into an employment agreement (the "Agreement") with Mr. Coetzer as of March 9, 2011. The Agreement provides for employment for one-year terms with automatic renewal for successive one-year periods and an annual base salary of US\$450,000, as may be increased from time to time during the term of the Agreement. Mr. Coetzer is entitled to participate in the Company's Third Amended and Restated 1997 Stock Option Plan (the "Option Plan"), the Executive Management Performance Bonus Plan, and benefit and deferred compensation plans generally available to executive officers of the Company from time to time.

Pursuant to the Agreement, Mr. Coetzer shall receive a starting bonus of US\$100,000. On March 9, 2011, Mr. Coetzer was granted 400,000 options under the Option Plan, of which 25% are vested and the remaining 75% will vest in three equal installments of 25% on the day prior to the anniversary dates of the grant during the next three years of employment. The options are exercisable at Cdn\$2.83 per share (US\$2.91), which was the closing price of the Company's common shares on the Toronto Stock Exchange on March 8, 2011, the day immediately preceding the grant date as provided by the terms of the Option Plan.

Mr. Coetzer is entitled to payments upon certain termination of employment events as described in the Agreement. Mr. Coetzer is entitled to a lump sum payment upon a termination of employment by the Company without cause or upon a termination by Mr. Coetzer in the event of a material breach of the Agreement by the Company, in the amount of Mr. Coetzer's accrued

compensation plus, subject to certain conditions, an amount equal to one times the sum of (a) Mr. Coetzer's then current base salary, and (b) the average of the target bonus for Mr. Coetzer for the current calendar year and the bonus paid to Mr. Coetzer for the previous calendar year.

Mr. Coetzer is also entitled to a lump sum payment in the event of a termination upon a "change in control," as defined in the Agreement, in the amount of his accrued compensation plus, subject to certain conditions, an amount equal to (a) two times the sum of (i) Mr. Coetzer's base salary for the calendar year in which the termination became effective, and (ii) the average of the target bonus for Mr. Coetzer for the current calendar year and the bonus paid to Mr. Coetzer for the previous calendar year, plus (b) a pro rata portion of Mr. Coetzer's target bonus for the current calendar year.

Subject to the terms of the Option Plan, all of the stock options granted to Mr. Coetzer under the Option Plan shall become vested and immediately exercisable for a period of 12 months from Mr. Coetzer's date of termination (a) upon a change in control, or (b) if after March 9, 2012, (i) the Company's failure to elect Mr. Coetzer as a vice president of the Company or to an executive position possessing comparable responsibilities, or (ii) termination without cause.

The foregoing summary of the material terms of the Agreement is by its nature incomplete. For further information regarding the terms and conditions of the Agreement, please refer to the Agreement which is attached as Exhibit 10.1 hereto and is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment Agreement by and between Golden Star Resources Ltd. and Sam Coetzer, dated March 9, 2011

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 10, 2011

Golden Star Resources Ltd.

By: /s/ John A. Labate

John A. Labate
Senior Vice President and Chief
Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment Agreement by and between Golden Star Resources Ltd. and Sam Coetzer, dated March 9, 2011

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the “Agreement”), made as of the 9th day of March, 2011 (the “Effective Date”) by and between **GOLDEN STAR RESOURCES LTD.** (the “Company”) and **SAM COETZER** (the “Employee”).

WHEREAS , the Company wishes to have the benefit of the Employee’s services; and

WHEREAS , the Employee wishes to be so employed by the Company.

NOW, THEREFORE , in consideration of the foregoing and the mutual covenants herein contained, **THE EMPLOYEE AND THE COMPANY HERETO AGREE AS FOLLOWS:**

1. Employment .

(a) The Company shall employ the Employee, and the Employee shall serve in the employ of the Company and render exclusive and full-time services to the Company on the terms and conditions set forth in this Agreement.

(b) The Employee shall serve as Executive Vice President and Chief Operating Officer of the Company and shall perform duties subject to the overall policies and directions of the Company’s President and Chief Executive Officer.

(c) The Employee shall not serve as a director, general partner or manager of any other entity without the prior written consent of the Board (the “Board”, which term also includes any committee of the Board when used herein).

(d) The Employee’s principal place of business with respect to his services to the Company shall be Toronto, Canada, subject to the travel requirements set forth in Section 1(e).

(e) The Employee acknowledges that he will be required to travel extensively and perform his duties in other locations, and the Employee shall undertake such amount of travel away from his principal place of employment as may reasonably be necessary to carry out his duties and responsibilities hereunder.

2. Term of Employment . The Agreement shall become effective on the Effective Date. Unless the Employee’s employment is terminated as provided in Section 5, the term of the Employee’s employment under this Agreement (the “Term”) shall be for one (1) year from the Effective Date. The Term shall be extended automatically for successive one-year periods on each successive anniversary of the Effective Date, unless the Employee or the Company provides written notice to the other at least three (3) months prior to the anniversary of the Effective Date of his or its intention not to extend the Term, in which case Employee’s employment shall end on the last day of the then-current Term.

If the Company notifies the Employee of its intent not to extend the Term, the Agreement and the Employee's employment shall be deemed to have been terminated without cause pursuant to Section 5(a)(ii) and the Employee shall be entitled to the payments and other benefits set forth in Section 5(a)(ii).

3. Services. The Employee shall devote his entire business time, best efforts, skills and attention to the Company in fulfilling his duties and responsibilities hereunder faithfully and diligently. The Employee shall assume and perform to the best of his abilities the responsibilities of Executive Vice President and Chief Operating Officer of the Company as well as such other responsibilities as may be assigned to him during the Term by the President and Chief Executive Officer of the Company as are appropriate to the offices he holds. The Employee will engage in no other business or activity for compensation except for the management of his personal investments and any business or activity with respect to which he has received the prior written consent of the Board.

4. Compensation and Benefits. The Employee shall be entitled to the following benefits:

(a) The Company shall pay to the Employee, and the Employee hereby accepts, a salary (the "Base Salary") at the rate of US\$450,000 per annum. The Employee's salary may be increased from time to time by the Board, in its sole discretion, during the term of the Agreement and, upon any increase, such increased salary shall then become the Base Salary. The Base Salary shall be payable in equal bi-monthly installments in arrears.

The Employee shall be entitled to participate in the Company's Third Amended and Restated 1997 Stock Option Plan and in any successor option plan (the "Option Plan"). Subject to the approval of the Board, the initial number of options to be granted on the Effective Date pursuant to the Option Plan shall be 400,000 and shall vest pursuant to the applicable award agreement. The value of each option shall be determined using a Black Scholes valuation.

(b) The Employee shall be entitled to participate in the Company's Executive Management Performance Bonus Plan and in any successor bonus plan. The Employee's target bonus rate shall be 50% of annual base salary and will be based on the achievement of a combination of personal key performance indicator objectives and corporate key performance indicator objectives and annually approved the Board.

(c) The Employee shall be paid an employment starting bonus of US\$100,000 payable in the first applicable payroll after the Effective Date.

(d) The Company shall reimburse the Employee for all reasonable and documented travel, entertainment and other business expenses actually and properly incurred by him in connection to his duties hereunder. The Employee shall render expense accounts requesting reimbursements of his expenses hereunder within a reasonable period of time following such expense and in accordance with such documentation and verification as the President and Chief Executive Officer of the Company may from time to time require.

(e) The Employee shall be entitled to participate in such of the Company's or the Company's benefit and deferred compensation plans as are from time to time available to executive officers of the Company, including medical and dental health plans, life and disability insurance plans, supplemental retirement programs and other fringe benefit plans; provided, however, that the Employee's benefits may be modified or the Employee may be denied participation in any such plan because of a condition or restriction imposed by law or regulation or third-party insurer or other provider relating to participation.

(f) The Employee shall be entitled to participate in any and all applicable group savings or retirement plans, or other fringe benefits of the Company as established from time to time in which executive officers are eligible to participate, provided that the Employee shall have fulfilled all eligibility requirements for such benefits.

(g) The Employee shall be entitled to four (4) weeks of paid vacation during each year of employment hereunder at such time or times as may be selected by the Employee and approved by the President and Chief Executive Officer of the Company, and as are in accordance with the Company's policies and reasonable operating requirements. The Employee shall be entitled to all public holidays observed in Canada to a maximum of ten (10) days per annum.

5. Termination. The Agreement and Employee's employment may be terminated in the following manner. In each case, the Company shall have no obligations to the Employee following termination pursuant to this Section 5, other than as set forth in this Agreement and as provided in any benefit plans in which the Employee is a participant at the date of termination.

(a) By the Company:

(i) For cause, immediately upon notice in writing from the Company to the Employee. For purposes of this Agreement, "cause" shall mean: (1) unless resulting from disability as defined in Section 5(a)(iv), the Employee's material breach of any terms of this Agreement, if such material breach has not been cured within thirty (30) days following written notice of such breach to the Employee from the Company setting forth with specificity the nature of the breach or, if cure cannot reasonably be effected within such 30-day period, if the Employee does not commence to cure the breach within such 30-day period and thereafter pursue such cure continuously and with due diligence until cure has been fully effected; (2) the Employee's willful dishonesty towards, fraud upon, crime against, bad faith action with respect to, deliberate or attempted injury to, or gross misconduct or material noncompliance with the Company's policies and procedures which is materially injurious to the Company; (3) the Employee's conviction for any indictable crime (whether in connection with the Company's affairs or otherwise); or (4) the Employee's failure to comply with any lawful directive of the Board, the failure to comply with which is stated in such directive to be grounds for termination. Upon a termination for cause, Employee shall be entitled only to the Accrued Compensation and shall not be entitled to any other amount of severance pay.

(ii) Without cause, at any time upon the giving of seven (7) days prior written notice by the Company to the Employee or the Company's election not to extend the Term of the Agreement pursuant to Section 2, Employee shall be entitled to the Accrued Compensation and, subject to the Employee signing and not revoking the General Release (defined below) and subject to the terms of the General Release, the Company shall pay to the Employee in cash or cash equivalent acceptable to the Employee, in a lump sum on the 30th day after termination (or on the next business day, if the 30th day is a weekend day or a holiday), severance compensation ("Twelve Months Severance Compensation") in an amount equal to 1.0 times the sum of (1) the Employee's then current Base Salary, and (2) the average of the target bonus for the Employee for the current year and the bonus paid to the Employee for the previous year.

(iii) Immediately and without notice upon the death of the Employee, in which case the Company shall have no further obligation to the Employee's estate or representatives other than to pay Accrued Compensation up to and including the end of the month in which death occurred.

(iv) At any time upon 90-day notice in writing from the Company to the Employee, if the Employee, by reason of disability, shall have failed to perform his duties under the Agreement. During the 90-day notice period, the Employee shall be considered a full-time employee of the Company. The Employee's disability means his incapacity due to physical or mental illness such that he is unable to perform his previously assigned duties where (1) such incapacity has been determined to exist by either (a) the Company's disability insurance carrier or (b) the concurring opinions of two licensed physicians (one selected by the Company and one by the Employee) or (2) the Employee has failed for any three (3) consecutive months in any calendar year or for six (6) months in the aggregate in any two successive calendar years to have performed substantially all of his duties under this Agreement by reason of physical or mental illness, as determined by the Board. Any such separation for disability shall be only as not prohibited by human rights legislation. Upon a termination pursuant to this Section 5(a)(iv), Employee shall be entitled to the Accrued Compensation and such other payments as may be then due under any disability insurance policy of the Company in accordance with the terms of such policy.

(b) By the Employee:

(i) for material breach of this Agreement by the Company, in which case the Employee shall have no further obligation to the Company immediately following the end of the Company's period to remedy the material breach. Upon a termination pursuant to this Section 5(b)(i), Employee shall be entitled to the Accrued Compensation and, subject to the Employee signing and not revoking the General Release (defined below) and subject to the terms of the General Release, the Company shall make a lump sum payment on the 30th day after termination (or on the next business day, if the 30th day is a weekend day or a holiday) to the Employee in cash or cash equivalent acceptable to the Employee in an amount equal to Twelve Months

Severance Compensation. For purposes of this clause, “material breach” shall include the occurrence of any of the following conditions:

- (1) the material reduction by the Company of the Employee’s Base Salary or other benefits;
- (2) the non-payment of compensation and provision of benefits;
- (3) the material reduction by the Company of the Employee’s responsibilities or title; or
- (4) the failure of a successor entity to adopt this Agreement;

provided that in the case of Employee’s allegation of material breach, (i) Employee shall provide written notice to the Company of the event alleged to constitute material breach within 30 days after the initial occurrence of such event, and (ii) the Company shall have the opportunity to remedy the alleged material breach event within 30 days from receipt of notice of such allegation (the “Material Breach Cure Period”). If not remedied within the Material Breach Cure Period, Employee may submit a written notice of termination, provided that the notice of termination must be given no later than 90 days after the expiration of the Material Breach Cure Period; otherwise, Employee is deemed to have accepted such event, or the Company’s remedy of such event, that may have given rise to the existence of material breach; provided, however, such acceptance shall be limited to the occurrence of such event and shall not waive Employee’s right to claim material breach with respect to future similar events.

(ii) voluntarily, if Sections 5(a)(i), 5(a)(ii), 5(b)(i) or 6 are not applicable, at any time upon three (3) months’ notice in writing to the Company, in which case Employee shall be entitled to the Accrued Compensation and shall not be entitled to any other amount of severance pay. The Company may waive the requirement of written notice or the notice period in whole or in part, in which case Accrued Compensation shall be computed through the date on which termination would have occurred had the notice not been waived.

(c) Upon any termination of employment as set forth in Sections 5 or 6, the Employee shall, unless otherwise advised by the Company, do the following:

(i) Immediately resign all offices held (including directorships, if any) in the Company (and any subsidiary or other affiliated company of the Company and any entity in which Employee holds office at the direction of the Company) and, except as provided in this Agreement, the Employee shall not be entitled to receive any additional severance payment or additional compensation for loss of office or otherwise by reason of the resignation. If the Employee fails to resign as described herein, the Company is irrevocably authorized to appoint any other person in his name and on his

behalf to sign any documents or do any things necessary or requisite to give effect to such resignation; and

(ii) Promptly return to the Company all books of account, computer files, maps, records, reports and other documents, materials and property of the Company in the possession or control of the Employee.

(d) Except as provided in this Section 5, all amounts payable in cash or cash equivalent acceptable to Employee under this Section 5 shall, within the time periods set forth in the General Release (defined below), at the option of the Company be delivered to the Employee personally or be mailed to the Employee at the address referred to in Section 10(d).

(e) Prior to, and as an express condition precedent of, payment of the Twelve Months Severance Compensation, as applicable, Employee shall sign, and not revoke, a complete and comprehensive release of all claims against the Company and all related entities and individuals in a form acceptable to the Company (the “General Release”) within thirty (30) days of termination.

(f) Accrued Compensation shall be paid to Employee on the 30th day after termination (or on the next business day, if the 30th day is a weekend day or a holiday) to the Employee in cash or cash equivalent acceptable to the Employee unless otherwise required to be paid at an earlier or later date by applicable law or the terms of a benefit plan under which any amount of Accrued Compensation is provided.

6. Change of Control.

(a) In the event of a Termination Upon a Change in Control, Employee shall be entitled to Accrued Compensation and, subject to the Employee signing and not revoking the General Release and subject to the terms of the General Release, the Company shall pay to the Employee in a lump sum payment the Change of Control Severance on the 30th day after the date of termination (or on the next business day, if the 30th day is a weekend day or a holiday). For the avoidance of doubt, a Termination upon a Change of Control shall not constitute a termination under Section 5 of this Agreement, and the Employee shall not be entitled to any payment or benefits under Section 5. The Company shall have no further obligation to the Employee except as provided under this Agreement and in any benefit plans in effect at the date of termination which are applicable to Employee.

(i) “Termination Upon a Change in Control” shall mean a termination of the Employee by the Company without cause within twelve (12) months following a Change in Control (as defined below) or a termination by the Employee for Good Reason within twelve (12) months following a Change in Control.

(ii) “Good Reason” shall mean any of the following (without the Employee’s express written consent):

(1) the assignment to the Employee by the Company of duties inconsistent with, or a substantial alteration in the nature or status of, the Employee's responsibilities immediately prior to a Change in Control;

(2) a material reduction by the Company in the Employee's compensation or benefits as in effect on the date of a Change in Control;

(3) any material breach by the Company of any provision of this Agreement; or

(4) any failure by the Company to obtain the assumption and performance of this Agreement by any successor (by merger, consolidation or otherwise) or assign of the Company;

provided that in the case of Employee's allegation of Good Reason, (i) Employee shall provide written notice to the Company of the event alleged to constitute Good Reason within 30 days after the initial occurrence of such event, and (ii) the Company shall have the opportunity to remedy the alleged Good Reason event within 30 days from receipt of notice of such allegation (the "Good Reason Cure Period"). If not remedied within the Good Reason Cure Period, Employee may submit a written notice of termination, provided that the notice of termination must be given no later than 90 days after the expiration of the Good Reason Cure Period; otherwise, Employee is deemed to have accepted such event, or the Company's remedy of such event, that may have given rise to the existence of Good Reason; provided, however, such acceptance shall be limited to the occurrence of such event and shall not waive Employee's right to claim Good Reason with respect to future similar events.

(iii) A "Change in Control" shall be deemed to have occurred if (1) any "person" or "group" (within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of more than thirty percent (30%) of the then outstanding voting stock of the Company; or (2) persons who are Incumbent Directors cease to constitute a majority of the Board; or (3) the shareholders of the Company approve a merger, consolidation or amalgamation of the Company with any other corporation, other than a merger, consolidation or amalgamation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least fifty percent (50%) of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger, consolidation or amalgamation, or (4) the shareholders approve a plan of complete liquidation of the Company or the sale or disposition by the Company of all or substantially all of the Company's assets in one or a series of related transactions.

(iv) “ Incumbent Director ” means any person who serves on the Board as of the date of this Agreement and any person who is added to the Board thereafter with the approval of a majority of the persons who are then Incumbent Directors.

(v) “ Change of Control Severance ” means an amount equal to (a) two times the sum of (1) the Employee’s Base Salary for the calendar year in which the termination became effective, (2) the average of the target bonus for the Employee for the current calendar year and the bonus paid to the Employee for the previous year, plus (b) a portion of the target bonus for the Employee for the current calendar year which is pro rata to the portion of such year prior to the Employee’s Change of Control Termination.

(b) In the event of a Termination Upon a Change of Control, the Company shall, at its sole expense, provide the Employee with outplacement services, the scope and provider of which shall be selected by the Employee in his sole discretion and the cost of which shall not exceed an amount equal to 10% of the Employee’s then current Base Salary. Such outplacement service expenses must be incurred by the Employee on or before the last day of the second taxable year following the year in which the Employee’s employment was terminated, and reimbursement payments to the Employee must be made on or before the last day of the third taxable year following the year in which the Employee’s employment was terminated.

(c) Prior to, and as an express condition precedent of, payment of the Change of Control Severance or the provision of any outplacement services, Employee shall sign, and not revoke, the General Release within thirty (30) days of termination.

(d) Accrued Compensation shall be paid to Employee on the 30th day after termination (or on the next business day, if the 30th day is a weekend day or a holiday) to the Employee in cash or cash equivalent acceptable to the Employee unless otherwise required to be paid at an earlier or later date by applicable law or the terms of a benefit plan under which any amount of Accrued Compensation is provided.

7. Acceleration and Vesting of Stock Options . Subject to the terms of the Option Plan, all of the stock options granted to the Employee under the Option Plan shall become immediately exercisable and vested and shall remain exercisable for a period of 12 months from the date of termination of the Employee (a) upon a Change of Control or (b) if after the first anniversary of the Effective Date (i) the Board shall fail at any given time to elect the Employee as a Vice President of the Company or to an executive position possessing comparable duties and responsibilities or (ii) should the Company terminate the Agreement or the employment of the Employee without cause. Notwithstanding any of the foregoing and subject to the terms of the Option Plan, under no circumstances shall an option remain exercisable for more than ten (10) years after the date it was granted.

8. Confidentiality and Restrictive Covenant . The Employee acknowledges that as a condition of his employment he is required to maintain the confidentiality of the Company’s confidential and proprietary information and, accordingly, acknowledges that he is a party to and continues to be bound by the Confidentiality and Restrictive Covenant Agreement dated as of the

date of this Agreement between the Company and the Employee (the “Confidentiality Agreement”).

9. Golden Star Policies . The Employee agrees to comply with the written policies of the Company, including the Code of Ethics for Directors, Senior Executive and Financial Officers and other Executive Officers and the Business Conduct and Ethics Policy, and the Insider Trading and Reporting Policy.

10. Miscellaneous.

(a) The failure to insist upon strict compliance with any of the terms, covenants or conditions of this Agreement shall not be deemed a waiver of such terms, covenants or conditions, and the waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach thereof.

(b) Should a court or other body of competent jurisdiction determine that any provision of this Agreement is invalid or unenforceable, such provision shall be adjusted rather than voided, if possible, so that it is enforceable to the maximum extent possible, and all other provisions of the Agreement shall be deemed valid and enforceable to the extent possible.

(c) This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without reference to principles of conflict of laws.

(d) The parties hereby agree that any dispute or controversy arising out of or relating to this Agreement, the Employee’s employment with the Company, or the termination or cancellation of that employment or this Agreement, including without limitation any claim by the Employee under any federal or provincial law or statute regarding discrimination in employment, except as may be required to seek injunctive action under the Confidentiality Agreement, shall be settled by arbitration by a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association from time to time in force. The hearing on any such arbitration shall be held in Denver, Colorado. If such Commercial Arbitration Rules and practices shall conflict with the Colorado Rules of Civil Procedure or any other provisions of Colorado law then in force, such Colorado rules and provisions shall govern. This submission and agreement to arbitration shall be specifically enforceable.

Within thirty (30) days after the receipt by one party of a written notice to arbitrate delivered by the other party, the parties shall mutually select the arbitrator. If the parties cannot agree on such arbitrator, the selection of the arbitrator shall be made in accordance with the procedures of the American Arbitration Association.

Awards shall be final and binding on all parties to the extent and in the manner provided by Colorado law. Each award shall expressly entitle the prevailing party to recover such party’s legal fees and costs, and the award shall specifically allocate such fees and costs between the parties. All awards may be filed by any party with the Clerk of the District Court in the City and County of Denver, Colorado, and an appropriate judgment entered thereon and execution issued therefore. At the election of any party, said award may also be filed, and judgment entered

thereon and execution issued therefore, with the clerk of one or more other courts, state or federal, having jurisdiction over the party against whom such an award is rendered or its property.

(e) Any and all notices referred to herein shall be in writing and may be delivered by mail, by facsimile transmission or by hand. Notice shall be deemed given (1) five (5) days after mailing, if mailed in the United States by registered mail, (2) on the date of actual receipt if given by facsimile transmission, or (3) on the date of delivery, if delivered by hand.

Address for mailing, teletype or delivery by hand shall be as follows:

- To the Employee:

Mr. Sam Coetzer
3 Saintfield Avenue
Toronto, Ontario M3C 2M4
CANADA

Fax: _____

- To the Company:

Golden Star Resources Ltd.
10901 W. Toller Drive, Suite 300
Littleton, CO 80127
UNITED STATES
Attention: President and CEO

Fax: +1-303-830-9094

Or such other address as either party may from time to time designate in writing.

(f) This Agreement is personal to the Employee and without the prior written consent of the Company shall not be assignable by the Employee, provided that a deceased Employee's right to payment hereunder may be assigned by will or the laws of descent and distribution.

This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore

defined and any successor to its business and/or assets that assumes and agrees to perform this Agreement by operation of law, or otherwise.

(g) This Agreement supersedes any and all prior written and oral employment agreements between the Company and the Employee and, together with the Confidentiality Agreement, represents the entire agreement between the Company and the Employee and may be amended, modified, superseded, or cancelled, and any of the terms hereof may be waived, only by a written instrument executed by each party hereto or, in the case of a waiver, by the party waiving compliance. The failure of any party at any time or times to require performance of any provisions hereof shall not affect the right at a later time to enforce the same.

(h) This Agreement may be executed by the parties hereto in counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

(i) All compensation and benefits contemplated in this Agreement shall be reduced by all federal, provincial, local and other income taxes, payroll taxes, and other deductions and withholdings required by applicable law.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF , the parties hereto have duly executed this Agreement as of the day and year appearing on page one of this Agreement.

GOLDEN STAR RESOURCES LTD.

By: /s/ Thomas G. Mair
Name: Thomas G. Mair
Title: President and Chief Executive Officer

/s/ John A. Labate
Witness

/s/ Sam Coetzer
Sam Coetzer

/s/ John A. Labate
Witness

CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT

THIS CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT (the “Agreement”), made as of the 9th day of March, 2011 (the “Effective Date”) by and between **GOLDEN STAR RESOURCES LTD.** and **MR. SAM COETZER** (the “Employee” or “you”).

WHEREAS Golden Star Resources Ltd. and the Employee are parties to an Employment Agreement dated the date hereof.

NOW, THEREFORE , in consideration of the foregoing and the mutual covenants herein contained, **THE PARTIES HERETO AGREE AS FOLLOWS:**

In connection with your employment with Golden Star Resources Ltd. and its affiliates (collectively the “Company”), you have access to financial, operating, technical and other information concerning the Company and its mining assets and specifically, but not limited to, the properties of the Company, or access to confidential records of the Company containing such information, some of which has not previously been made available to the public at large prior to the date hereof (“Confidential Information”).

You understand that Confidential Information received by you in the course of your employment with the Company is considered by the Company to be confidential in nature and you will treat it as such. In consideration for being employed by the Company as aforesaid, you agree to the covenants that follow and you will not, without the express written consent of the Company, use Confidential Information for any purpose other than to provide the employment services for which you were hired.

The term “person” as used herein shall be interpreted very broadly and shall include without limitation any corporation, company, partnership or individual.

You agree that you will not, either during the term of your employment with the Company, or at any time thereafter, disclose or reveal in any manner whatsoever, the Confidential Information to any other person, except as required to carry out the terms of your employment, nor shall you make any use thereof, directly or indirectly, for any purpose other than the purposes of the Company, and you shall not disclose or use for any purposes, other than those of the Company, the Confidential Information.

You are hereby advised that there are restrictions on the purchase of securities imposed by applicable Canadian and United States securities laws and other domestic and foreign laws relating to the possession of material information about a public company that has not previously been made available to the public at large.

In the event that your employment with the Company is terminated for any reason whatsoever, you agree that you shall return to the Company promptly any documents, photographs, magnetic tapes and other property containing Confidential Information which were received by you pursuant hereto without retaining copies thereof.

The provisions of this Agreement relating to Confidential Information will not apply to any part of such Confidential Information which you can clearly demonstrate to the reasonable satisfaction of the Company is now or subsequently becomes part of the public domain through no violation of this Agreement, or was in your lawful possession prior to its disclosure to you by the Company.

You shall not, without the Company's prior written approval, at any time during the period of your employment and within two (2) years following the termination of your employment with the Company, (a) either individually or with any other person, whether as principal, agent, shareholder, officer, advisor, manager, employee or otherwise, (i) solicit, recruit or employ any person who is a full time employee of the Company or (ii) make use of, disseminate or disclose any of the Confidential Information; or (b) individually or through any entity controlled by you, acquire, lease or otherwise obtain or control any beneficial, direct or indirect interest in mineral rights or other rights or lands within twenty five (25) kilometers of any mineral property in which the Company holds, contemplates acquiring or is negotiating to acquire an interest at the time of termination.

If, notwithstanding the prohibition set forth in the preceding paragraph, you acquire, lease or otherwise obtain or control any interest, directly or indirectly, in breach of the preceding paragraph, you shall notify the Company of such acquisition within the thirty (30) days immediately following the date of such acquisition and you agree, upon demand by the Company, to convey or cause to be conveyed such interest to the Company as soon as practicable thereafter, in consideration of the payment by the Company to you of the sum of US\$1.00.

In the event of a breach of any of the covenants contained in this Agreement, it is understood that damages will be difficult to ascertain, and the Company may petition a court of law or equity for injunctive relief in addition to any other relief which the Company may have under the law or under this Agreement. Injunctive relief may be granted immediately upon the commencement of any such action, and Company need not post a bond to obtain temporary or permanent injunctive relief.

By signing this Agreement, you represent and warrant to the Company as follows:

a. You acknowledge the success of the Company's business depends in large part on the protection of the Company's Confidential Information, including its trade secrets. You acknowledge your access to the Company's Confidential Information, coupled with the personal relationships and goodwill between the Company and its customers, enables and will enable you to compete unfairly against the Company.

b. You have full power, authority, and capacity to enter into this Agreement and to perform the obligations hereunder. This Agreement has been executed voluntarily by you and constitutes a valid and binding agreement.

c. You have read this Agreement and has had the opportunity to have this Agreement reviewed by legal counsel.

d. To the best of your knowledge, your employment with Company has and will not (i) conflict with or result in a breach of any of the provisions of, (ii) constitute a default under, (iii) result in the violation of, (iv) give any third party the right to terminate or to accelerate any obligation under, or (v) require any authorization, consent, approval, execution, or other action by or

notice to any court or other governmental body under the provisions of any other agreement or instrument to which you are bound or affected.

e. Given the nature of the business in which the Company is engaged, the restrictions in this Agreement, including their geographic scope and duration, are reasonable and necessary to protect the legitimate interests of the Company.

f. As the Executive Vice President and Chief Operating Officer of the Company, you are among the Company's executive personnel, management personnel, or officers and employees who constitute professional staff to executive and management personnel. Moreover, you acknowledge this Agreement is designed and intended to protect the Company's Confidential Information, including the Company's trade secrets.

It is further understood and agreed that no failure or delay by the Company in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other right, power or privilege hereunder.

Should any provision or provisions of this Agreement be illegal or not enforceable, it or they shall be considered separate and severable from this Agreement and its remaining provisions shall remain in force and be binding upon the parties as though the provision or provisions had never been included.

Your obligations under this Agreement shall bind your heirs, executors and legal representatives, and the rights of the Company under this Agreement shall inure to the benefit of its successors and assigns.

This Agreement shall be governed and construed in accordance with the laws of the State of Colorado. You agree to submit to the venue and personal jurisdiction of the Colorado state and federal courts concerning any dispute arising from or relating to this Agreement; however the Company is not limited in seeking relief in those courts.

IN WITNESS WHEREOF , the parties hereto have duly executed this Agreement as of the day and year appearing on page one of this Agreement.

GOLDEN STAR RESOURCES LTD.

By: /s/ Thomas G. Mair
Name: Thomas G. Mair
Title: President & CEO

/s/ John A. Labate
Witness

/s/ Sam Coetzer
Sam Coetzer

/s/ John A. Labate
Witness