GOLDEN STAR RESOURCES LTD.

FORM 10-Q
(Quarterly Report)

Filed 11/20/00 for the Period Ending 09/30/00

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

GOLDEN STAR RESOURCES LTD

FORM 10-Q
(Quarterly Report)

Filed 11/20/2000 For Period Ending 9/30/2000

Address	10901 WEST TOLLER DRIVE SUITE 300
	LITTLETON, Colorado 80127
Telephone	303-830-9000
CIK	0000903571
Industry	Gold & Silver
Sector	Basic Materials
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2000

OR

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ________ to ________.

Commission file number 1-12284

GOLDEN STAR RESOURCES LTD.
(Exact name of registrant as specified in its charter)

Canada	98-0101955
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1660 Lincoln Street Suite 3000 Denver, Colorado	80264
(Address of principal executive office)	(Zip Code)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days Yes X No ___

Number of Common Shares outstanding as of October 31, 2000: 37,588,988

GOLDEN STAR RESOURCES LTD.

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SPECIAL NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-Q contains "forward-looking statements" within the meaning of the U.S. securities laws. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events, capital expenditure, exploration efforts, financial needs, and other information that is not historical information. The Golden Star Resources Ltd. (the "Company") forward- looking statements are based on the Company's current expectations and various assumptions as of the date such statements are made. The Company cannot give assurance that such statements will prove to be correct.

These forward-looking statements include statements regarding: the impact of our shift in business strategy; the impact that the Bogoso mine may have on our future liquidity, cash flows, financial requirements, operating results and capital resources; the operational and financial performance of the Bogoso mine; targets for gold production; cash operating costs and expenses; increases or decreases in production from our mining operations; schedules for completion of feasibility studies; potential increases in reserves and production; the timing and scope of future drilling and other exploration activities; expectations regarding receipt of permits and commencement of mining or production; anticipated recovery rates; and potential acquisitions or increases in property interests in the region of the Bogoso mine.

Factors that could cause our actual results to differ materially from these statements include changes in gold prices, unanticipated grade changes, unanticipated recovery problems, mining and milling costs, geology, metallurgy, processing, access, transportation of supplies, water availability, results of current and future exploration activities, results of pending and future feasibility studies, changes in project parameters as plans continue to be refined, political, economic and operational risks of foreign operations, joint venture relationships, availability of materials and equipment, the timing of receipt of governmental approvals for new permits or renewal of permits, capitalization and commercial viability, the failure of plant, equipment or processes to operate in accordance with specifications or expectations, accidents, labor disputes, delays in start-up dates, environmental costs and risks, local and community impacts and issues, and general domestic and international economic and political conditions.

Part I - Financial Information

ITEM 1. FINANCIAL STATEMENTS

GOLDEN STAR RESOURCES LTD.
CONSOLIDATED BALANCE SHEETS
(Stated in thousands of United States Dollars except share amounts)

(Unaudited)

ASSETS	As of September 30, 2000	As of December 31, 1999
CURRENT ASSETS		
Cash and short-term investments	$ 2,641	$ 2,905
Accounts receivable	1,411	1,976
Inventories (Note 3)	9,723	8,905
Other assets	224	171
Total Current Assets	13,999	13,957
RESTRICTED CASH (Note 9)	5,000	6,000
NOTE RECEIVABLE	2,638	3,784
ACQUISITION, DEFERRED EXPLORATION AND DEVELOPMENT COSTS (Note 4 and 11)	38,926	37,922
INVESTMENT IN OMAI GOLD MINES LIMITED	654	1,023
MINING PROPERTIES (Net of accumulated depreciation of $8,193 and $2,777, respectively)	5,059	10,413
FIXED ASSETS (Net of accumulated depreciation of $3,167 and $2,587, respectively)	2,269	1,175
OTHER ASSETS	52	78
Total Assets	$ 68,597	$ 74,352
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 3,454	$ 4,414
Accrued wages and payroll taxes	251	315
Current portion of amount payable to financial institutions (Note 9)	6,666	3,208
Total Current Liabilities	10,371	7,937
LONG-TERM DEBT	1,441	2,254
AMOUNT PAYABLE TO FINANCIAL INSTITUTIONS	250	3,708
CONVERTIBLE DEBENTURES (Note 5)	3,127	3,184
ENVIRONMENTAL REHABILITATION LIABILITY (Note 9)	5,831	6,721
OTHER LIABILITIES	17	24
Total Liabilities	21,037	23,828
MINORITY INTEREST	8,556	10,023
COMMITMENTS AND CONTINGENCIES (Note 9)		
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 6)	160,922	160,502
Common shares, without par value, unlimited shares authorized. Shares issued and outstanding: September 30, 2000 - 37,588,988; December 31, 1999 -36,943,731		
Equity component of convertible debentures (Note 5)	1,045	1,045
DEFICIT	(122,961)	(121,046)
Total Shareholders' Equity	39,004	40,501
Total Liabilities and Shareholders' Equity	$ 68,597	$ 74,352

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

GOLDEN STAR RESOURCES LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Stated in thousands of United States Dollars except share amounts)

(Unaudited)

	Three Months Ended September 30, 2000	Three Months Ended September 30, 1999	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
REVENUE				
Gold sales	$ 7,729	$ --	$ 25,237	$ --
Interest and other	13	65	606	287
	7,742	65	25,843	287
COSTS AND EXPENSES				
Mining operations	5,422	--	17,069	--
Depreciation, depletion and amortization	1,551	33	6,078	115
Exploration expense	209	77	869	129
General and administrative	1,003	488	2,256	2,350
Abandonment and impairment of mineral Properties	1,750	20,482	1,750	23,745
(Gain)/Loss on disposal of assets	(18)	16	(92)	8
Interest expense	197	37	707	49
Foreign exchange (gain)/loss	(83)	13	(287)	(18)
	10,031	21,146	28,350	26,378
LOSS BEFORE THE UNDERNOTED	(2,289)	(21,081)	(2,507)	(26,091)
Omai preferred share redemption premium	139	(143)	444	379
Loss before minority interest	(2,150)	(21,224)	(2,063)	(25,712)
Minority interest	461	834	148	1,056
NET LOSS	$ (1,689)	$(20,390)	$ (1,915)	$(24,656)
BASIC AND DILUTED NET LOSS PER SHARE	$ (0.04)	$ (0.65)	$ (0.05)	$ (0.79)
WEIGHTED AVERAGE SHARES OUTSTANDING (in millions of shares)	37.6	31.4	37.5	31.4

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

GOLDEN STAR RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in thousands of United States Dollars)

(Unaudited)

	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
Operating Activities:		
Net loss	$ (1,915)	$(24,656)
Reconciliation of net loss to net cash used in operating activities:		
Depreciation, depletion and amortization	6,078	115
Convertible debenture accretion and other non cash items	192	--
Premium on Omai preferred share redemption	(444)	(379)
Abandonment and impairment of mineral properties	1,750	23,745
(Gain)/Loss on disposal of assets	(92)	8
Minority interest	(148)	(1,056)
Increase in note receivable	(193)	--
Expenditures and other decreases in environmental rehabilitation liability	(890)	--
Change in other liabilities	(4)	--
Changes in non-cash operating working capital:		
Accounts receivable	565	(381)
Inventories	(819)	27
Accounts payable and accrued liabilities	(1,026)	9
Other current assets	--	107
Total changes in non-cash operating working capital	(1,280)	(238)
Net Cash Provided by (Used in) Operating Activities	3,054	(2,461)
Investing Activities:		
Expenditures on mineral properties, net of joint venture recoveries	(2,710)	(2,790)
Expenditures on mining properties	(64)	--
Equipment purchases	(1,826)	(5)
Omai preferred share redemption	813	693
Increase in deferred acquisition costs	--	(1,525)
Restricted cash for Bogoso rehabilitation	1,000	(6,000)
Proceeds from sale of equipment	93	90
Other assets	18	69
Net Cash Used in Investing Activities	(2,676)	(9,468)
Financing Activities:		
Repayment of long-term debt	(813)	(693)
Issuance of Convertible Debentures	--	4,155
Repayment of stock option loans	--	638
Issuance of share capital, net of issue costs	171	2,905
Other	--	(28)
Net Cash Provided by (Used in) Financing Activities	(642)	6,977
Increase/(Decrease) in cash and short-term investments	(264)	(4,952)
Cash and short-term investments, beginning of period	2,905	7,350
Cash and short-term investments, end of period	$ 2,641	$ 2,398

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)
(All amounts are in thousands of United States Dollars, unless otherwise indicated)

These financial statements and the accompanying notes should be read in conjunction with the consolidated financial statements and related notes included in the annual report on Form 10-K for the Company for the fiscal year ended December 31, 1999, on file with the Securities and Exchange Commission and with the Ontario Securities Commission (hereinafter referred to as "the Company's 1999 10-K"). All amounts are in United States Dollars unless otherwise stated.

The unaudited financial statements for the three month and nine month periods ended September 30, 2000 and 1999, reflect all adjustments, consisting solely of normal recurring items, which are necessary for a fair presentation of financial position, results of operations, and cash flows on a basis consistent with that of the prior audited consolidated financial statements.

(1) SUPPLEMENTAL CASH FLOW INFORMATION

	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
Shares issued under Stock Bonus Plan	$ 35	$ --
Depreciation charged to projects	$ 44	$ 125
Shares issued upon conversion of convertible debentures (Note 6)	$ 214	$ --
Conversion of convertible debentures (Note 6)	$ (214)	$ --
Distribution to minority interest	$(1,399)	$ --
Repayment of note receivable from minority interest	$ 1,399	$ --
Cancellation of stock option loan		$ (3,312)
Cancellation of stock option related shares		$ 3,312

(2) NEW ACCOUNTING STANDARDS

In June 1998, the FASB issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (FAS 133). FAS 133 is effective commencing January 1, 2001. FAS 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. In June 2000, the FASB issued Accounting for Certain Derivative Instruments and Certain Hedging Activities, an amendment of FAS 133 (FAS 138), under which certain hedging activities could be excluded from the accounting requirements of FAS 133 provided they meet certain criteria to qualify as normal purchase and sale transactions. The Company is in the process of determining the impact that applying FAS 133 and FAS 138 may have on its results of operations and financial position. The effects of adopting the new standards are not reasonably determinable at this time.

In December 1999, the Securities and Exchange Commission (SEC) released Staff Accounting Bulletin (SAB) No. 101, Revenue Recognition in Financial Statements that provides guidance on the recognition, presentation and disclosure of revenue in financial statements filed with the SEC. SAB 101 outlines the basic criteria that must be met to recognize revenues and provides guidance for disclosures related to revenue recognition policies. The Company believes that its existing revenue policies are in compliance with this pronouncement and does not anticipate any changes in its revenue accounting policy or procedures when adopted in the fourth quarter of 2000.

(3) INVENTORIES

	September 30, 2000	December 31, 1999
Broken Ore	$2,892	$2,862
In-process	1,092	836
Materials and Supplies	5,739	5,207
	$9,723	$8,905

(4) ACQUISITION, DEFERRED EXPLORATION AND DEVELOPMENT COSTS

	Acquisition, Deferred Exploration and Development Costs as at Dec. 31, 1999	2000 Capitalized Exploration Expenditures	2000 Capitalized Acquisition Expenditures	2000 Joint Venture Recoveries	Property Abandonments/ Write-downs	Acquisition, Deferred Exploration and Development Costs as at September 30, 2000
GUYANA						
Eagle Mountain	$ 1,364	$ --	$ --	$ --	$ --	$ 1,364
Other	123	(103)	--	--	--	20
Sub-total	1,487	(103)	--	--	--	1,384
SURINAME						
Gross Rosebel	14,913	282	--	(86)	--	15,109
Other	212	116	--	--	--	328
Sub-total	15,125	398	--	(86)	--	15,437
FRENCH GUIANA (Guyanor Ressources S.A.)						
Dorlin	2,608	34	--	--	--	2,642
Yaou	7,633	83	--	--	--	7,716
Paul Isnard / Eau Blanche	5,446	279	--	--	--	5,725
Paul Isnard Alluvials	1,987	--	--	--	--	1,987
Dachine	1,720	708	--	(678)	(1,750)	--
Sub-total	19,394	1,104	--	(678)	(1,750)	18,070
AFRICA (Pan African Resources Corporation)						
Ivory Coast / Tanda	1,681	--	--	--	--	1,681
(Bogoso Gold Limited)						
Riyadh	75	146	--	--	--	221
Bogoso Sulfide	160	1,973	--	--	--	2,133
Sub-total	1,916	2,119	--	--	--	4,035
TOTAL	$37,922	$ 3,518	$ --	$ (764)	$(1,750)	$ 38,926

The recoverability of amounts shown for acquisition, deferred exploration and development costs is dependent upon the sale or discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof. The amounts deferred represent costs to be charged to operations in the future and do not necessarily reflect the present or future values of the properties.

As a result of the disappointing results from the bulk sampling program on the Dachine project and the subsequent withdrawal of Rio Tinto from the joint venture, the Dachine deferred exploration expenditures have been impaired, however the Company is continuing to pursue other joint venture opportunities for the project

On August 3, 2000, the Company signed a letter of intent with Barnato Exploration Limited ("Barnex") and Western Areas Limited ("Western Areas") to acquire a 90% interest in the Prestea gold project in Ghana by purchasing a 90% interest in Barnex Prestea Limited. The Prestea property is located immediately to the south of the Bogoso mine, in which the Company acquired a 70% interest in September 1999. The total purchase consideration indicated in the letter of intent was $12 million. Negotiations have been ongoing between the Company, Barnex and Western Areas on the final commercial terms and the definitive agreements. On November 6, 2000, the Company and Barnex agreed to an extension of time until November 17, 2000 to complete the acquisition of Prestea.

The acquisition would have been subject to the completion of due diligence,necessary funding, the negotiation of definitive agreements and the obtaining of necessary consents and approvals. On November 15, 2000, Barnex advised the Company that the Government of Ghana is seeking to abrogate the mining lease and related rights that Barnex has in Ghana. The Government has initiated discussions with Barnex regarding the payment of compensation, while Barnex has reserved its rights and is taking legal advice. The Company has not been advised formally by the Government and will be contacting senior Government officials to assess the situation and, once it has gathered all relevant information, will promptly make the decisions to deal with this situation that are in the best interests of its shareholders.

(5) CONVERTIBLE DEBENTURES

On August 24, 1999, the Company issued $4,155,000 (principal) in subordinated convertible debentures to raise financing for the acquisition of 90% of Bogoso Gold Limited (BGL), the company operating the Bogoso gold mine in Ghana. The debentures mature on August 24, 2004 and bear interest at the rate of 7.5% per annum from the date of issue, payable semi-annually on February 15 and August 15, to the debenture-holders as of February 1 and August 1, respectively, which commenced on February 15, 2000.

(6) CHANGES TO SHARE CAPITAL

During the nine months ended September 30, 2000, the Company issued 62,400 shares ($66,000) on the exercise of options and 150,000 shares ($105,000) on the exercise of warrants. Also during the nine months convertible debentures were converted into 392,857 shares ($214,000) and 40,000 shares ($35,000) were issued under provisions of the Company's Stock Bonus Plan.

(7) PURCHASE OF BOGOSO GOLD LIMITED

On September 30, 1999 the Company and Anvil Mining NL ("Anvil") acquired 70% and 20% respectively, of the shares of Bogoso Gold Ltd, a Ghana company (BGL). The government of Ghana retained a 10% equity interest in BGL. BGL is the owner and operator of the Bogoso gold mine in the republic of Ghana.

The following is the pro-forma income and loss for the nine months ended September 30, 1999, showing the results had the transaction been completed on January 1, 1999:

	Nine Months Ended September 30, 1999
Revenue	$ 27,964
Net Loss	$(21,595)
Net Loss Per Share	$ (0.59)

<u>(8) GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CANADA AND THE UNITED STATES</u>

The financial statements have been prepared in accordance with accounting principles generally accepted in Canada (Canadian GAAP) which differ in certain respects from those principles that the Company would have followed had its financial statements been prepared in accordance with generally accepted accounting principles in the United States. Differences which materially affect these consolidated financial statements are:

(a) For United States GAAP (US GAAP) exploration and general and administrative costs related to exploration projects are charged to expense as incurred. As such, the majority of costs charged to Exploration Expense and Abandonment of Mineral Properties under Canadian GAAP would have been charged to earnings in prior periods under US GAAP. Prior to January 1, 2000, acquisition costs for exploration properties were capitalized under US GAAP. The Company changed its method effective January 1, 2000, whereby the Company expensed previously capitalized acquisition costs related to exploration projects (totaling $11,301,000 or $0.30 per share in the three months ended March 31, 2000 and the nine months ended September 30, 2000), based upon the uncertainty of the ultimate recoverability of these costs under FAS 121. Under US GAAP, the Company now expenses all exploration costs, including property acquisition costs, for exploration projects.

(b) For periods prior to May 15, 1992, (the "Amalgamation"), the Company's reporting currency was the

Canadian Dollar. Subsequent to the Company's Amalgamation and moving of corporate headquarters to the United States, the reporting currency was changed to the US Dollar. As such, for the financial statements for the period prior to May 15, 1992, the Company's financial statements were translated into US Dollars using a translation of convenience. US GAAP requires translation in accordance with the current rate method.

(c) Under US GAAP, the preferred share investment in OGML would have a carrying value of nil since the preferred shares were received in recognition of past exploration costs incurred by the Company, all of which were expensed for US GAAP purposes. Therefore, the entire Omai preferred share redemption premium would have been included in income. Under Canadian GAAP, a portion of the premium on the Omai preferred share redemption is included in income with the remainder reducing the carrying value of the Company's preferred stock investment.

(d) US GAAP requires that compensation expense be recorded for the excess of the quoted market price over the option price granted to employees and directors under stock option plans. Under Canadian GAAP, no compensation expense is required to be recorded for such awards.

(e) Canadian GAAP requires that convertible debentures should be classified into their component parts, as either a liability or equity, in accordance with the substance of the contractual agreement. Also, under Canadian GAAP the accretion, which is based upon the amount of the equity portion, is charged to interest expense. Under US GAAP, the convertible debenture would be classified entirely as a liability.

(f) The gains on subsidiaries' issuance of common shares recorded under Canadian GAAP in respect of the Guyanor public offering and the PARC private placement are not appropriate under US GAAP.

(g) The Company eliminated its accumulated deficit through the amalgamation (defined as a reorganization under US GAAP) effective May 15, 1992. Under US GAAP the cumulative deficit was greater than the deficit under Canadian GAAP due to the write-off of certain deferred exploration costs described in (a) above.

(h) Under US GAAP, items such as foreign exchange gains and losses are required to be shown separately in the derivation of Comprehensive Income.

(i) Under US GAAP, the fair value of warrants issued in connection with the credit facility that was arranged for, but not used to effect, the purchase of Bogoso Gold Limited ("BGL"), is required to be expensed. Under Canadian GAAP, the fair value was treated as additional purchase price. The difference in basis creates differences in the related depletion.

Had the Company followed GAAP in the United States, certain items on the statements of operations and balance sheets would have been reported as follows:

	For the nine months ended September 30, 2000	For the nine months ended September 30, 1999
Net loss under Canadian GAAP	$ (1,915)	$(24,656)
Net effect of expensing previously capitalized acquisition costs for exploration projects (a)	(11,301)	--
Net effect of the deferred exploration expenditures on loss for the period (a)	(1,004)	13,844
Effect of depletion adjustment (i)	575	(702)
Effect of Omai preferred share redemption (c)	369	314
Other (d), (e), (h), (i)	(158)	(18)
Loss under US GAAP before minority interest	(13,434)	(11,218)
Minority interest adjustment	(36)	425
Net loss under US GAAP	(13,470)	(10,793)
Other comprehensive income foreign exchange gain (h)	287	18
Comprehensive income (loss)	$(13,183)	$(10,775)
Basic and diluted Net loss per share under US GAAP	$ (0.36)	$ (0.34)

The effect of the differences in accounting under Canadian GAAP and US GAAP on the balance sheets and statements of cash flows are as follows:

Balance Sheet

	As of September 30, 2000		As of December 31, 1999	
	Cdn GAAP	US GAAP	Cdn GAAP	US GAAP
Cash	$ 2,641	$ 2,641	$ 2,905	$ 2,905
Other current assets	11,358	11,306	11,052	11,052
Restricted cash	5,000	5,000	6,000	6,000
Acquisition, deferred exploration and development (a)	38,926	-	37,922	11,302
Investment in OGML (c)	654	-	1,023	-
Mining properties (i)	5,059	4,401	10,413	9,180
Other assets	4,959	5,245	5.037	5,196
Total Assets	$ 68,597	$ 28,593	$ 74,352	$ 45,635
Liabilities	$ 21,037	$ 21,789	$ 23,828	$ 24,799
Minority interest	8,556	5,280	10,023	9,690
Share capital, net of stock option loans (e)	161,967	158,518	161,547	157,932
Cumulative translation adjustments (b)	-	1,595	-	1,595
Accumulated comprehensive income	-	(296)	-	(583)
Deficit (a)(i)(e)(f)(g)	(122,961)	(158,293)	(121,046)	(147,798)
Total Liabilities and Shareholders' Equity	$ 68,597	$ 28,593	$ 74,352	$ 45,635

Statements of Cash Flows

Net cash Provided By (Used In):	Operating Activities		Investing Activities		Financing Activities	
	Canadian GAAP	U.S. GAAP	Canadian GAAP	U.S. GAAP	Canadian GAAP	U.S. GAAP
For the nine months ended September 30, 2000	$ 3,054	$ 1,188	$(2,676)	$ (810)	$ (642)	$ (642)
For the nine months ended September 30, 1999	$ (2,461)	$ (4,719)	$(9,468)	$(3,005)	$ 6,977	$6,977

The statements of cash flows reflect the impact of the previously discussed adjustments (a) (c) (d) (e).

Operations by geographic area under US GAAP:

	Operating Revenues	Net Loss	Identifiable Assets
For the nine months ended September 30, 2000			
South America	$ 28	$(12,989)	$ 637
Africa	25,815	284	18,292
Corporate	-	(197)	9,664
	$ 25,843	$(13,470)	$ 28,593
For the Nine months ended September 30, 1999			
South America	$ 13	$ (8,137)	$ 12,555
Africa	-	(1,307)	10,894
Corporate	274	(1,349)	13,280
	$ 287	$(10,793)	$ 37,009

(9) COMMITMENTS AND CONTINGENCIES

Environmental Regulations

The Company is not aware of any events of material non-compliance in its operations with environmental laws and regulations which could have a material adverse effect on the Company's operations or financial condition. The exact nature of environmental control problems, if any, which the Company may encounter in the future, cannot be predicted, primarily because of the changing character of environmental requirements that may be enacted within foreign jurisdictions. The environmental rehabilitation liability for reclamation and closure costs at the Bogoso mine at September 30, 2000 was $5.8 million.

Restricted Cash

Upon the closing of the acquisition of BGL in 1999, the Company was required, under the acquisition agreement, to restrict $6.0 million in cash. These funds are being used for the ongoing, final reclamation and closure costs relating to the Bogoso mine site, and the withdrawal of these funds must be agreed to by the sellers of BGL, who are ultimately responsible for the reclamation in the event of non-performance by Golden Star and Anvil. The restricted cash was reduced by $1.0 million, to a balance of $5.0 million, at the end of the second quarter, as agreed with the sellers of BGL.

Payments to IFC

Under the terms of the purchase agreement between the Company, Anvil and the IFC, the Company and Anvil together were required to make a payment to the IFC on September 30, 2000 in the amount of $2.8 million. The amount of the payment was determined using a formula in the purchase agreement, which incorporates the average price of gold during the twelve months ended September 30, 2000. The Company paid the IFC $1.4 million on November 9, 2000, and has reached agreement with the IFC that the balance, plus interest at 10% per annum, is to be paid by December 22, 2000. The Company is currently in the process of negotiating a line of credit of $2.0 million from a financial institution that would allow fulfillment of this obligation, although there can be no assurance that its efforts will be successful.

(10) RELATED PARTIES

During 1999, the Company, in conjunction with Anvil Mining NL, acquired 90% of BGL. The current President and CEO of the Company, Peter J. Bradford, is also a Director of Anvil Mining NL and this relationship constitutes a related party, although he was not employed by the Company at the September 30, 1999 transaction date. Based on the heads of agreement with Anvil to effect the BGL acquisition, the Company provided Anvil with a promissory note for their share of the purchase price and also a note for their share of the acquisition costs. Additionally Anvil is responsible for their share of the additional acquisition costs. The total of these amounts owed to the Company at September 30, 2000 was $2.6 million.

During the quarter ended September 30, 2000, Anvil and the Company reached agreement on a revised interpretation of certain sections of the heads of agreement dealing with the timing of cash distributions from BGL and the allocation of the funds between the two partners. The new interpretation allows Anvil credit for its 22.2% share of cash distributions from BGL, as cash proceeds are received by the Company. Prior to the new interpretation it was assumed that the heads of agreement called for proceeds to be credited only to the Company until such time as the Company's original investment had been recovered. Following the Company's recovery of its initial investment Anvil is to receive its share of subsequent distributions. Until this time all cash distributions will continue to be made directly to the Company. Upon receipt of the cash, the Company will credit Anvil with their share of the distribution and then apply the Anvil credit against the Company's note receivable from Anvil until such time as the note has been repaid in full. Based on the new interpretation the note receivable from Anvil has been credited with Anvil's 22.2% portion of all past cash disbursements from BGL to the Company, thereby reducing the note receivable balance to $2.6 million at September 30, 2000.

(11) SUBSEQUENT EVENTS

At the end of September 2000, the American Stock Exchange (Amex) notified the Company that it intended to proceed with de-listing the Company's shares from the Amex. The Company appealed against the Amex determination and this appeal is expected to be heard by the Amex Committee on Securities in November with a decision expected in December. Trading on the Toronto Stock Exchange should not be affected by the ultimate Amex decision. The Company is utilizing the appeal period to review the alternatives available to the Company in the event that the appeal is unsuccessful and an alternative listing forum is required in the United States.

On October 12, 2000, the Company announced the results from the bulk sampling program undertaken by Guyanor and its joint venture partner, Rio Tinto Mining and Exploration, on the Dachine Diamond project in French Guiana. While diamonds were found to be present in the sampled material, Rio Tinto considered that they were not sufficient to justify additional work at this time. Rio Tinto withdrew from the joint venture but remains liable for environmental remediation. As a result of the disappointing results from the bulk sampling program and the subsequent withdrawal of Rio Tinto from the joint venture, the Dachine deferred exploration expenditures have been impaired as of September 30, 2000, however the Company is continuing to pursue other joint venture opportunities for the project.

On November 6, 2000, the Company and Barnex agreed to an extension of time until November 17, 2000 to complete the acquisition of Prestea. The acquisition would have been subject to the completion of due diligence, necessary funding, the negotiation of definitive agreements and the obtaining of necessary consents and approvals. On November 15, 2000, Barnex advised the Company that the Government of Ghana is seeking to abrogate the mining lease and related rights that Barnex has in Ghana. The Government has initiated discussions with Barnex regarding the payment of compensation, while Barnex has reserved its rights and is taking legal advice. The Company has not been advised formally by the Government and will be contacting senior Government officials to assess the situation and, once it has gathered all relevant information, will promptly make the decisions to deal with this situation that are in the best interests of its shareholders.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL

CONDITION, RESULTS OF OPERATIONS AND RECENT DEVELOPMENTS

The following discussion should be read in conjunction with the accompanying consolidated financial statements and related notes. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). For the US GAAP reconciliation, see Note 8 to the attached unaudited consolidated financial statements. All amounts are in US Dollars.

Special Note Regarding Forward Looking Statements

The U.S. securities laws provide a "safe harbor" for certain forward-looking statements. The Management's Discussion and Analysis contains "forward-looking statements" that express expectations of future events or results. All statements based on future expectations rather than historical facts are forward-looking statements that involve a number of risks and uncertainties, and the Company cannot give assurance that such statements will prove to be correct. Refer to the "Special Notice regarding Forward-Looking Statements" on page 2 of this Form 10-Q.

RESULTS OF OPERATIONS

Overview

On September 30, 1999, the Company and Anvil Mining NL, an Australian company ("Anvil"), completed the acquisition of 70% and 20% respectively, of the common shares of Bogoso Gold Limited ("BGL"). The Government of Ghana retained its 10% equity interest in BGL. BGL is the owner of the Bogoso Mine, an operating gold mine in the Republic of Ghana, which the Company and Anvil intend to continue to operate. The initial purchase price for BGL was $6.5 million, which was funded by the Company from working capital and the proceeds from the August 24, 1999 offerings of convertible debentures, common shares and warrants. The acquisition agreement also provides for additional purchase price payments to the IFC (on behalf of the consortium of banks that sold BGL). The Company has accrued $6.4 million to reflect these future additional purchase price payments over the two years ending September 30, 2001, based on its estimate that, if the gold price averages $290 per ounce for the remainder of the Bogoso mine life, Golden Star and Anvil would have to pay the consortium of banks this amount as a purchase price adjustment. The Company and Anvil also acquired by way of assignment all the outstanding debt owed to the sellers, but because of the improbability that sufficient cash can be generated by BGL over the remaining life of the reserve base to repay any of the assigned outstanding debts, it was deemed appropriate by Anvil and the Company to assign no value to this receivable.

This acquisition is consistent with the Company's shift in focus away from being a pure exploration company, to becoming a production, development and advanced stage exploration company. Prior to September 30, 1999, the Company's focus was solely on the exploration and development (if warranted) of precious metal and diamond deposits within specific geological domains. The Company's results of operations, discussed below, include results of BGL for the three months and nine months ended September 30, 2000.

Three Months and Nine Months Ended September 30, 2000 compared to the Three Months and Nine Months Ended September 30, 1999

The Company incurred net losses of $1.7 million and $1.9 million for the third quarter and nine months ended September 30, 2000 respectively. These figures compare to losses of $20.4 million and $24.7 million in the third quarter and nine months of 1999. The losses in 1999 were mostly attributable to the impairment of deferred exploration expenses of $20.5 million in the third quarter and $23.7 million for the nine months ended September 30, 1999, while losses in 2000 include a $1.8 million non-cash impairment of the Dachine project in French Guiana.

Results for the third quarter and for the nine months of 2000 include operational activities of the Bogoso mine, which was acquired by the Company on September 30, 1999. The Bogoso operations contributed $7.7 million of revenues to the third quarter results and $25.2 million to the nine months results. Third quarter gold revenues were based on sales of 27,899 ounces at an average price of $277.02 per ounce. For the nine months gold sales totaled 89,448 ounces at an average price of $281.88 per ounce. Cash operating costs including royalties averaged $195.04 in the quarter and $191.04 for the full nine months. Mill feed grades averaged 2.60 grams per tonne for the nine months and 2.30 grams per tonne for the quarter.

As a result of the disappointing results from the bulk sampling program and the subsequent withdrawal of Rio Tinto from the joint venture, the Dachine deferred exploration expenditures have been impaired with a charge to operations of $1.8 million for the third quarter and for the nine months ended September 30, 2000. The Company is continuing to pursue other joint venture opportunities for the Dachine project.

For the nine months ended September 30, 2000, general and administrative expenditures decreased slightly to $2.3 million as compared to $2.4 million for the same period last year. Exploration expense for the third quarter increased to $0.2 million from $0.1 million last year. Even though exploration offices were closed in Africa and in Guyana, the lower level of exploration activity overall resulted in less costs being allocated to projects. Most of the Company's exploration projects are currently on a care and maintenance basis.

Third quarter and nine month 2000 interest expenses were $0.2 million and $0.7 million respectively, up from less than $0.1 million in both comparative periods of 1999. The increases in the 2000 periods are a result of interest on the convertible debentures (issued in August of 1999) and penalty interest as a result of the delay in registration of the Company's shares under the registration statement on Form S-3 with the SEC (for shares to be issued upon the exercise of warrants granted to brokers and lenders in June and August, 1999). The Form S-3 was declared effective by the SEC on July 26, 2000, and the penalty interest ceased as of that date. The increases in foreign exchange gains in the current periods are related to significant decreases in the value of the local currency during 2000 in Ghana where the Bogoso mine operates.

On August 11, 2000, the Company received regulatory approval to extend the expiration date of warrants to purchase a total of 761,650 common shares of the Company at an exercise price of $0.70, scheduled to expire on August 24, 2000, until the earlier of (i) February 24, 2001 or (ii) the 30th calendar day following the determination that the 10-day weighted average trading price of the common shares for any 10 consecutive trading days is greater than Cdn$1.22.

On August 3, 2000, the Company signed a letter of intent with Barnato Exploration Limited ("Barnex") and Western Areas Limited ("Western Areas") to acquire a 90% interest in the Prestea gold project in Ghana by purchasing a 90% interest in Barnex Prestea Limited. The Prestea property is located immediately to the south of the Bogoso mine, in which the Company acquired a 70% interest in September 1999. The total purchase consideration indicated in the letter of intent was $12 million. Negotiations have been ongoing between the Company, Barnex and Western Areas on the final commercial terms and the definitive agreements. On November 6, 2000, the Company and Barnex agreed to an extension of time until November 17, 2000 to complete the acquisition of Prestea. The acquisition would have been subject to the completion of due diligence, necessary funding, the negotiation of definitive agreements and the obtaining of necessary consents and approvals. On November 15, 2000, Barnex advised the Company that the Government of Ghana is seeking to abrogate the mining lease and related rights that Barnex has in Ghana. The Government has initiated discussions with Barnex regarding the payment of compensation, while Barnex has reserved its rights and is taking legal advice. The Company has not been advised formally by the Government and will be contacting senior Government officials to assess the situation and, once it has gathered all relevant information, will promptly make the decisions to deal with this situation that are in the best interests of its shareholders.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2000, the Company held cash and short-term investments of $ 2.6 million and working capital of $3.6 million compared to December 31, 1999 balances of $2.9 million and $6.0 million, respectively. The decrease in working capital is mostly related to the reclassifying of amounts due to lenders, from long term liabilities to current liabilities under terms of the loan agreements. Net cash provided by operating activities totaled $3.1 million for the nine months ended September 30, 2000, compared with net cash used in operating activities of $2.5 million in the first nine months of 1999. Cash generated by operations at the Bogoso mine, acquired in September 1999 was responsible for the improvement in cash from operations as compared to 1999. The Company also has $5.0 million in cash at September 30, 2000, which is restricted, in accordance with the BGL acquisition agreement, to be used for environmental rehabilitation at the Bogoso mine. The Company drew down $1.0 million from the restricted cash account in the second quarter and anticipates being able to draw down a further $1.0 million by December 31, 2000, to reimburse the Company for rehabilitation expenditures since the acquisition of BGL.

Cash used in investing activities for the nine months ended September 30, 2000 was $2.7 million as compared to $9.5 million for the nine months ended September 30, 1999. The 1999 figure includes cash used to acquire the Bogoso property and associated restrictions of cash for eventual reclamation and closure of the Bogoso mine. Spending on capitalized exploration was essentially unchanged in the nine months of 2000 versus the nine months of 1999, but $1.8 million was used in the current nine months for equipment at the Bogoso mine versus no spending in the same period of 1999 prior to the acquisition of the mine.

Cash used by financing activities amounted to $0.6 million for the nine months ended September 30, 2000 compared with cash provided by financing activities of $7.0 million for the corresponding period in 1999. Financing activities in the 2000 period included a $0.8 million repayment of the Omai project debt. The 1999 period included issuance of convertible debentures and common stock used to finance the Bogoso mine acquisition.

Under the terms of the purchase agreement between the Company, Anvil and the IFC, the Company and Anvil together were required to make a payment to the IFC on September 30, 2000 in the amount of $2.8 million. The amount of the payment was determined using a formula in the purchase agreement, which incorporates the average price of gold during the twelve months ended September 30, 2000. The Company paid the IFC $1.4 million on November 9, 2000, and has reached agreement with the IFC that the balance, plus interest at 10% per annum, is to be paid by December 22, 2000. The Company is currently in the process of negotiating a line of credit of $2.0 million from a financial institution that would allow fulfillment of this obligation, although there can be no assurance that its efforts will be successful.

Bogoso Gold Limited

Total capitalized exploration expenditures by BGL in Ghana for the third quarter and the first nine months of 2000 amounted to $0.4 million and $2.1 million, respectively (compared to nil in the third quarter and first nine months of 1999, prior to the Company's acquisition of BGL). These costs were primarily for additional drilling and other costs for the preparation of the feasibility study on the Bogoso sulfide mineralized material. With the current uncertainty as to the likelihood of the Prestea acquisition proceeding, it is expected that employee layoffs will be required at Bogoso, because the current plan at Bogoso projects oxide ore reserve mining to cease in the first half of 2001, although production of gold will continue from oxide ore stockpiles through to the end of 2001.

French Guiana (Guyanor Ressources S.A.)

Total capitalized exploration expenditures by Guyanor for the third quarter amounted to $0.1 million, offset by joint venture recoveries of $0.1 million (compared to expenditures of $0.4 million and joint venture recoveries of $0.2 million in the third quarter of 1999). Activities in French Guiana focused primarily on further work at Yaou and Dorlin, Dachine and Paul Isnard. General and administrative expenditures for Guyanor, which were not reimbursed by joint venture partners, amounted to $0.1 million for the quarter ended September 30, 2000 (compared to $0.2 million in the third quarter of 1999). The Company has committed to funding the operations of Guyanor through 2000.

Rio Tinto notified the Company at the end of the third quarter that their evaluation and bulk sampling of the Dachine diamond prospect in French Guiana had been completed. While diamonds were found to be present in the sampled material, Rio Tinto considered that they were not sufficient to justify additional work and evaluation at this time. Rio Tinto withdrew from the joint venture but remains liable for environmental remediation. As a result of the disappointing results from the bulk sampling program and the subsequent withdrawal of Rio Tinto from the joint venture, the Dachine deferred exploration expenditures have been impaired, with a charge to operations in the third quarter of $1.8 million. The Company is continuing to pursue other joint venture opportunities for the project.

Guyana

There were no capitalized exploration and acquisition expenditures in the third quarter of 2000 in Guyana compared to less than $0.1 million during the third quarter of 1999. Activities in Guyana during 2000 have focused primarily on the closing of the Guyana office (effective as of March 31, 2000), restructuring of the Guyana exploration activities and the recovery of cash for property bonds on projects abandoned with all related costs being expensed.

Suriname

Capitalized exploration expenditures in Suriname during the third quarter of 2000 focused primarily on the Gross Rosebel project. Total spending in Suriname in the third quarter was less than $0.1 million, or approximately the same as in the same period in 1999. The Gross Rosebel project is being maintained on a care and maintenance basis pending improved gold prices, the resolution of various technical matters and joint venture partner Cambior's future development plans.

Outlook

In prior years, the Company has relied primarily on the capital markets to fund its acquisitions, operations and exploration activities. Following the acquisition of BGL and its operating gold mine, effective September 30, 1999, the Company has a source of cash flow from mining operations through at least mid-2001, although it still has limited cash resources. The current market for gold shares continues to be weak and equity capital is difficult to obtain, but, as the Company demonstrated in 1999 through its capital raising activities (from the issuance of shares and convertible debentures), it is somewhat easier to raise funds to acquire producing mining assets compared with the challenge of raising capital primarily for exploration. The Company is projected to generate sufficient cash flow through the end of 2001 to cover its exploration obligations and general and administrative expenses, although if gold prices continue at the current depressed levels or fall lower, this will reduce the cash available to the Company and this may in turn result in further office closures and staffing cutbacks. Also, because of capital expenditures which will extend the economic mine life at Bogoso, the Company's cash position during the fourth quarter of 2000 is projected to be close to minimum operating levels. Additional capital will be required for major capital expenditures, development or acquisitions (including the funding of the Prestea acquisition, as discussed below). At September 30, 2000, the Company held consolidated cash and short-term investments of $2.6 million.

As noted above, the Company and Anvil will be required to make payments of the additional purchase price to the IFC (on behalf of the consortium of banks that sold BGL) over the next 12 months. This additional purchase price has been estimated at $6.4 million (7/9 payable by the Company and 2/9 payable by Anvil), of which $2.8 million was payable on September 30, 2000. The Company paid the IFC $1.4 million on November 9, 2000, and has reached agreement with the IFC that the balance, plus interest at 10% per annum, is to be paid by December 22, 2000. The Company is currently in the process of negotiating a line of credit of $2.0 million from a financial institution that would allow fulfillment of this obligation, although there can be no assurance that its efforts will be successful. Cash commitments, including scheduled purchase price payments to be made to the IFC and amounts due other financial institutions will negatively impact the Company's financial position and liquidity over the next 12 months. The Company is, and will continue, exploring various possibilities for raising capital, which might include, among other things, the establishment of additional joint ventures, the sale of property interests, debt financing and the issuance of new equity.

At the end of September 2000, the American Stock Exchange (Amex) notified the Company that it intended to proceed with de-listing the Company's shares from the Amex. The Company appealed against the Amex determination and this appeal is expected to be heard by the Amex Committee on Securities in November with a decision expected in December. Trading on the Toronto Stock Exchange should not be affected by the ultimate Amex decision. The Company is utilizing the appeal period to review the alternatives available to the Company in the event that the appeal is unsuccessful and an alternative listing forum is required in the United States.

As described in Footnotes 4 and 11 to the Company's Consolidated Financial Statements included herein, the Company had intended to acquire the Prestea property which lies immediately to the south of and adjoins the Bogoso property in Ghana. The Prestea property has open-pittable oxide mineralized material that the Company had intended to process through the Bogoso mill. Management expected that the acquisition of the Prestea property would have extended the life of Bogoso by up to six years. With the current uncertainty as to the likelihood of the Prestea acquisition proceeding, it is expected that employee layoffs will be required at Bogoso, because the current plan at Bogoso projects mining to cease in the first half of 2001, although production of gold will continue from oxide ore stockpiles through to the end of 2001.

New Accounting Standards

In June 1998, the FASB issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (FAS 133). FAS 133 is effective commencing January 1, 2001. FAS 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. In June, 2000, the FASB issued Accounting for Certain Derivative Instruments and Certain Hedging Activities, an amendment of FAS 133 (FAS 138), under which certain hedging activities could be excluded from the accounting requirements of FAS 133 provided they meet certain criteria to qualify as normal purchase and sale transactions. The Company is in the process of determining the impact that applying FAS 133 and FAS 138 may have on its results of operations and financial position and the effects of adopting the new standards are not reasonably determinable at this time.

In December 1999, the Securities and Exchange Commission (SEC) released Staff Accounting Bulletin (SAB) No. 101, Revenue Recognition in Financial Statements that provides guidance on the recognition, presentation and disclosure of revenue in financial statements filed with the SEC. SAB 101 outlines the basic criteria that must be met to recognize revenue and provides guidance for disclosures related to revenue recognition policies. The Company believes that its existing revenue policies are in compliance with this pronouncement and does not anticipate changes in its revenue accounting policy or procedures when SAB 101 is adopted in the fourth quarter of 2000.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's exposure to market risk includes, but is not limited to, the following risks: changes in interest rates on the Company's investment portfolio, changes in foreign currency exchange rates and commodity price fluctuations. The Company also has various agreements that are classified as derivative financial instruments.

Interest Rate Risk

The Company may from time to time invest its cash in debt instruments of the U.S. Government and its agencies, and in high-quality corporate issuers, and limits the amount of exposure to any one issuer. Investments in both fixed rate and floating rate interest earning instruments carry a degree of interest rate risk. Fixed rate securities may have their fair market value adversely impacted due to a rise in interest rates, while floating rate securities may produce less income than expected if interest rates fall. Due in part to these factors the Company's future investment income may fall short of expectations due to changes in interest rates or the Company may suffer losses in principal if forced to sell securities which have declined in market value due to changes in interest rates. For example, if interest rates on the Company's current interest bearing deposits were to change by 1%, the Company's revenue could increase or decrease by approximately $0.1 million per year. The Company may in the future actively manage its exposure to interest rate risk.

Foreign Currency Exchange Rate Risk

The price of gold is denominated in US dollars and the majority of the Company's revenues and expenses are denominated in US dollars. As a result of the limited exposure, management considers that the Company is not exposed to a material risk as a result of any changes in foreign currency exchange rate changes, so the Company does not utilize foreign exchange risk sensitive instruments to manage its exposure.

Commodity Price Risk

The Company is engaged in gold mining and related activities, including exploration, extraction, processing and reclamation. Gold bullion is the Company's primary product and, as a result, changes in the price of gold could significantly affect the Company's results of operations and cash flows. According to current estimates, a $25 per ounce change in the price of gold could result in a $2.9 million (annual) effect on the results of operations and cash flows. The Company currently does not have a program for hedging, or to otherwise manage its exposure to gold price risk. The Company may in the future manage its exposure through appropriate hedging programs.

Derivative Financial Instruments

The Company entered into various agreements in relation to the acquisition of BGL that may be classified as derivative financial instruments. The Company and Anvil will be required to make additional future payments to the consortium of banks. The amount of the future payments is depending on the average price of gold over a two year period following September 30, 1999 and upon the potential acquisition of ore in Ghana outside the region of BGL's mining interests. The gold price related payments are due as to 50% one year after closing and 50% at the earlier of production of gold ceasing or the second anniversary after closing. These payments are equal to the product (in US dollars) of 183,333 and the amount, if any, that the average daily gold price (in US dollars in the London Bullion Market Association p.m. gold fix) over the period from closing to the payment dates exceeds $255 per ounce. Such payments are capped at $10.0 million in total. The Company has accrued $6.4 million, based on its estimate that, if the gold price averages $290 per ounce for the remainder of the Bogoso mine life, Golden Star and Anvil would have to pay the consortium of banks this amount as a purchase price adjustment. The payment due on the first anniversary of the acquisition will be non-refundable and credited against any payment due on the second anniversary. The Company is depleting this amount over production from proven and probable reserves. The actual amount of the additional purchase price cannot be determined as it could be significantly impacted by changes in the price of gold. The Company is also required to make production related payments to the provider of the credit facility arranged for, but not used, to effect the acquisition of BGL. The Company is required to pay $0.3 million for every 12-month period that BGL produces over 75,000 ounces of gold. Based on proven and probable reserves and gold production to date, the Company has accrued $0.5 million (for two years' production) and is depleting this amount over production from proven and probable reserves. This payment extends over six years and is capped at $1.3 million.

Part II - Other Information

ITEM 1. LEGAL PROCEEDINGS

There are currently no pending legal proceedings to which the Company or any of its subsidiaries is a party or to which any of its properties or those of any of its subsidiaries is subject. The Company and its subsidiaries are, however, engaged in routine litigation incidental to their business. No material legal proceedings involving the company are pending, or, to the knowledge of the Company, contemplated, by any governmental authority. The Company is not aware of any material events of noncompliance with environmental laws and regulations. The exact nature of environmental control problems, if any, which the Company may encounter in the future, cannot be predicted, primarily because of the changing character of environmental regulations that may be enacted with foreign jurisdictions.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

27 Financial Data Schedule

(b) Reports filed on Form 8-K during the quarter ended September 30, 2000

None

SIGNATURES

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

GOLDEN STAR RESOURCES LTD.

By: /s/ Peter J. Bradford
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Peter J. Bradford
President and Chief Executive Officer

By: /s/ Allan J. Marter
--
Allan J. Marter
Vice President and Chief Financial Officer

November 20, 2000

ARTICLE 5

PERIOD TYPE	9 MOS
FISCAL YEAR END	DEC 31 2000
PERIOD START	JAN 01 2000
PERIOD END	SEP 30 2000
CASH	2,641
SECURITIES	0
RECEIVABLES	1,411
ALLOWANCES	0
INVENTORY	9,723
CURRENT ASSETS	224
PP&E	5,912
DEPRECIATION	3,643
TOTAL ASSETS	68,597
CURRENT LIABILITIES	10,371
BONDS	0
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	160,922
OTHER SE	(121,916)
TOTAL LIABILITY AND EQUITY	68,597
SALES	25,237
TOTAL REVENUES	26,287
CGS	23,147
TOTAL COSTS	23,147
OTHER EXPENSES	4,496
LOSS PROVISION	0
INTEREST EXPENSE	707
INCOME PRETAX	(1,915)
INCOME TAX	0
INCOME CONTINUING	(1,915)
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	(1,915)
EPS BASIC	(0.05)
EPS DILUTED	(0.05)