

# GOLDEN STAR RESOURCES LTD.

## FORM 8-K (Current report filing)

Filed 10/23/07 for the Period Ending 10/23/07

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

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

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported): October 23, 2007**

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**GOLDEN STAR RESOURCES LTD.**

(Exact name of registrant as specified in its charter)

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**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)

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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 1.01 Entry into a Material Definitive Agreement**

On October 23, 2007, Golden Star Resources Ltd. (“Golden Star”) entered into amendment agreements with the holders of its outstanding US\$50 million aggregate principal amount 6.85% senior convertible notes due April 15, 2009. The agreements provide for the amendment of the notes to require the early redemption of all of the notes by Golden Star for an aggregate of US\$61.76 million together with all accrued and unpaid interest thereon. Golden Star’s redemption obligation is conditioned on the completion by Golden Star of an issuance and sale of securities for proceeds sufficient to redeem all of the notes. The amendments to the notes will become effective upon the announcement of definitive terms of the proposed offering of up to US\$125 million in Convertible Senior Unsecured Debentures, discussed below.

**Item 2.02 Results of Operations and Financial Condition**

On October 23, 2007, Golden Star issued a press release providing preliminary earnings results for the third quarter of 2007. A copy of this press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

The information in Item 2.02 of this Current Report on Form 8-K, including the information set forth in Exhibit 99.1, is “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

**Item 8.01 Other Events****Announcement of Proposed Offering**

On October 23, 2007, Golden Star issued a press release announcing its intent to offer and sell in a private placement an aggregate principal amount of up to US\$125 million of Convertible Senior Unsecured Debentures due November 30, 2012. A copy of this press release is attached hereto as Exhibit 99.2. and incorporated by reference herein in accordance with Rule 135c of the Securities Act of 1933, as amended.

**EURO Rights Offering**

On September 26, 2007, Golden Star entered into a letter agreement with EURO Ressources S.A., a French-based gold royalty company (“EURO”) pursuant to which Golden Star agreed to subscribe for and purchase up to an aggregate of US\$5,000,000 in common shares of EURO, which are proposed to be issued as part of a rights offering by EURO scheduled for November 2007 (the “Rights Offering”), to the extent that such shares are not otherwise purchased by EURO’s shareholders. In addition, Golden Star agreed to exercise all rights to purchase EURO shares attaching to the shares of EURO presently owned by it, which would require payment of approximately US\$0.2 million. Upon conclusion of the Rights Offering, EURO has agreed to a) pay US\$3.6 million in cash to Golden Star for its December 2004 purchase from Golden Star of the royalty in IAMGold’s Rosebel mine in Suriname and b) purchase for approximately US\$4.15 million a residual royalty held by Golden Star on gold production from the Rosebel mine in excess of 2.0 million ounces. EURO was, until June 2006, a fully consolidated subsidiary of Golden Star. Currently, Golden Star owns less than 2% of EURO.

**Option of Goulagou/ Rouga Properties**

On October 10, 2007, Golden Star entered into an option agreement with Riverstone Resources Inc. (“Riverstone”) whereby Riverstone will have the right to acquire Golden Star’s 90% interest in the Goulagou and Rounga properties in Burkina Faso, which

Golden Star acquired in the December 2005 acquisition of St. Jude Resources Ltd. To exercise the option, Riverstone is required to spend Cdn\$4 million on exploration programs on the Goulagou and Rouna properties over the next four years, and may then purchase Golden Star's interest for \$18.6 million in cash or Riverstone common shares. In connection with the execution of the option agreement, Golden Star is to receive two million common share purchase warrants of Riverstone at exercise prices of Cdn\$0.30 to Cdn\$0.45, and in addition, will receive up to two million shares of Riverstone over the term of the option. Golden Star would retain a production-related net smelter return royalty of up to 2% on these properties.

### **Ghana Share Listing**

Golden Star has announced its intent to list its common shares for trading on the Ghana Stock Exchange in Accra prior to the end of 2007. It is expected that the Ghana listing will be accompanied by the sale of between US\$5 and US\$10 million of Golden Star common shares to investors in Ghana, subject to applicable regulatory approval. Golden Star intends to take appropriate steps to cause all shares issued in Ghana to be immediately and freely tradable on the Toronto Stock Exchange and the American Stock Exchange.

### **Item 9.01. Financial Statements and Exhibits.**

*(c) Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Golden Star, dated October 23, 2007, announcing agreement to amend and redeem outstanding senior convertible notes and preliminary earnings results for the third quarter of 2007 (with such press release to be deemed "filed" for purposes of Section 18 of the Exchange Act)
99.2	Press release of Golden Star, dated October 23, 2007, announcing proposed offering of Convertible Senior Unsecured Debentures.

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**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: October 23, 2007

**Golden Star Resources Ltd.**

By: /s/ Thomas G. Mair

Thomas G. Mair

Senior Vice President and Chief Financial Officer

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## EXHIBIT INDEX

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99.2	Press release of Golden Star, dated October 23, 2007, announcing proposed offering of Convertible Senior Unsecured Debentures.

**GOLDEN STAR ANNOUNCES AGREEMENT TO AMEND AND REDEEM  
OUTSTANDING SENIOR CONVERTIBLE NOTES AND PRELIMINARY EARNINGS  
RESULTS FOR THIRD QUARTER 2007**

Denver—(Market Wire)—October 23, 2007—Golden Star Resources Ltd. (AMEX: GSS; TSX: GSC) (“Golden Star”) today announced that it has entered into amendment agreements with the holders of its outstanding US\$50 million aggregate principal amount 6.85% senior convertible notes due April 15, 2009. The agreements provide for the amendment of the notes to require the early redemption for cash of all of the notes by Golden Star for an aggregate of US\$61.76 million together with all accrued and unpaid interest thereon. Golden Star’s redemption obligation would be conditional on the completion by Golden Star of an issuance and sale of securities for proceeds sufficient to redeem all of the notes. The amendments to the notes will become effective upon the announcement of definitive terms of Golden Star’s proposed offering of up to US\$125 million in Convertible Senior Unsecured Debentures.

Although we are yet to finalize and release our financial statements for the third quarter of 2007 (which are being prepared in accordance with Canadian GAAP), we expect our net loss for the quarter to be approximately \$13.4 million or about \$0.06 per share, compared to a net loss of \$2.3 million, or \$0.01 per share, for the second quarter of 2007. While the operating margins for our Wassa mine and oxide processing plant at Bogoso/Prestea were broadly in line with the first two quarters of 2007, the Bogoso sulfide processing plant in its first quarter of commercial production had a negative impact on our operating results primarily because the overall throughput rate and recovery for the quarter was less than anticipated. Operating and interest costs, which were capitalized in previous quarters, were expensed beginning July 1, 2007. In addition, depreciation, deduction and amortization expense on the Bogoso Sulfide Processing Plant began on July 1, 2007. This resulted in lower gold production and higher cash operating costs per ounce. In addition, we decided to discontinue exploration of the Pampana property in Sierra Leone and return it to the joint venture partner, resulting in the impairment of the \$1.9 million expended on the property.

### **Company Profile**

Golden Star is an un-hedged gold producer and holds a 90% equity interest in the Bogoso/Prestea and Wassa open-pit gold mines in Ghana. In addition, Golden Star has an 81% interest in the currently inactive Prestea Underground mine in Ghana, as well as gold exploration interests elsewhere in Ghana, in other parts of West Africa and in the Guiana Shield of South America. Golden Star has approximately 233 million shares outstanding.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

***Statements Regarding Forward-Looking Information** : Some statements contained in this news release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and other applicable securities laws. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties that could cause actual results to differ materially. Such statements include comments regarding the anticipated loss for the third quarter of 2007 and the estimated impairment related to the Pampana property. These statements are based on preliminary estimates of the results for the third quarter of 2007 and may change as Golden Star completes work on the financial statements for this period. There can be no assurance that future developments affecting the Company will be those anticipated by management. Please refer to the discussion of risk factors in our Form 10-K for the year ended December 31, 2006, as amended.*

For further information, please contact:

**GOLDEN STAR RESOURCES LTD.**                    **+1-800-553-8436**  
Bruce Higson-Smith, Vice President Corporate Development  
Anne Hite, Investor Relations Manager

**GOLDEN STAR ANNOUNCES PROPOSED OFFERING OF  
CONVERTIBLE SENIOR UNSECURED DEBENTURES**

Denver—(Market Wire)—October 23, 2007—Golden Star Resources Ltd. (AMEX: GSS; TSX: GSC) (“Golden Star”) today announced its intent to offer and sell an aggregate principal amount of up to US\$125 million of Convertible Senior Unsecured Debentures due November 30, 2012 (the “Debentures”). The Debentures are anticipated to be sold, subject to market and other conditions, to qualified institutional buyers in the United States with sales in the U.S. being made in reliance on Rule 144A of the U.S. Securities Act of 1933, as amended (the “Securities Act”), and on a private placement basis in Canada to accredited investors, in reliance on Regulation S under the Securities Act.

The Debentures are anticipated to have a semi-annual cash interest coupon to be determined at pricing, and, subject to certain limitations, will be convertible at the option of the holder at any time prior to the maturity date into the Company’s common shares, at a conversion price to be determined. Golden Star intends to use approximately US\$61.76 million of the net proceeds of the offering to repay its existing US\$50 million aggregate principal amount 6.85% senior convertible notes due April 15, 2009, and the balance for property development and for general corporate purposes.

This announcement does not constitute an offer to sell, nor is it a solicitation of an offer to buy, securities. The Debentures, and the common shares issuable upon conversion of the Debentures, have not been registered under the Securities Act or the securities laws of any other jurisdiction, and may not be offered or sold in the United States without registration under, or an applicable exemption from, the registration requirements of the Securities Act, and will be subject to resale restrictions in Canada.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

***Statements Regarding Forward-Looking Information:** Some statements contained in this news release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other applicable securities laws. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties that could cause actual results to differ materially, including comments regarding the expectation that the offering will be completed consistent with the terms outlined above and the use of proceeds from the offering. Actual results may differ materially from those presented. Factors that could cause results to differ materially include fluctuations in gold price, changes in U.S. and Canadian securities markets and failure to receive regulatory approvals. Golden Star assumes no obligation to update this information. There can be no assurance that future developments affecting Golden Star will be those anticipated by management. Please refer to the discussion of risk factors in our Form 10-K for the year ended December 31, 2006, as amended.*

For further information, please contact:

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