

GOLDEN STAR RESOURCES LTD.

FORM 8-K (Current report filing)

Filed 01/23/03 for the Period Ending 01/22/03

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Industry	Gold & Silver
Sector	Basic Materials
Fiscal Year	12/31

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**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): **January 22, 2003**

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)

**10579 Bradford Road, Suite 103
Littleton, Colorado**

(Address of principal executive offices)

80127-4247

(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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SIGNATURE

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Explanatory Note

This Report on Form 8-K is filed for the purpose of filing the exhibits listed. Certain of these exhibits were previously filed in paper or electronic format.

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Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(a) *Financial statements by businesses acquired.*

Not Applicable.

(b) *Pro forma financial information.*

Not Applicable.

(c) *Exhibits.*

Exhibit No.	Description
4.1	Articles of Arrangement dated May 14, 1992, with Plan of Arrangement attached, with Certificate of Amendment with respect thereto dated May 15, 1992; Certificate of Amendment dated May 15, 1992, with Articles of Amendment; Certificate of Amendment dated March 26, 1993, with Articles of Amendment; Articles of Arrangement dated March 7, 1995, with Plan of Arrangement attached, with Certificate of Amendment with respect thereto dated March 14, 1995; Certificate of Amendment dated July 29, 1996, with Articles of Amendment; and Certificate of Amendment dated July 10, 2002, with Articles of Amendment
4.2	Bylaw Number Two, effective May 15, 1992 and Bylaw Number Three, effective May 15, 1992
4.3	Rights Agreement dated as of April 24, 1996, between the Company and the R-M Trust Company as Rights Agent
10.1	Summary of Executive Management Performance Bonus Plan
10.2	Amended and Restated 1997 Stock Option Plan, effective as of April 3, 2002
10.3	Form of Indemnification Agreement between the Company and its officers and directors
10.4	Summary of Severance Arrangements between the Company and certain executive officers

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: January 22, 2003

Golden Star Resources Ltd.

By: /s/ Allan J. Marter

Allan J. Marter
Senior Vice President and Chief Financial
Officer

EXHIBIT INDEX

Exhibit No.	Description
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10.4	Summary of Severance Arrangements between the Company and certain executive officers

EXHIBIT 4.1

[LOGO] Consumer and
Corporate Affairs Canada

Consommation
et Corporations Canada

CERTIFICATE OF AMENDMENT

CERTIFICAT DE MODIFICATION

CANADA BUSINESS
CORPORATIONS ACT

LOI REGISSANT LES SOCIETES
PAR ACTIONS DE REGIME FEDERAL

SOUTH AMERICAN GOLDFIELDS INC.

238929-1

Name of Corporation - Denomination de la societe

Number - Numero

I hereby certify that the
Articles of the above-mentioned
Corporation were amended

Je certifie par les presentes que
les statuts de la societe
mentionnee ci-haut ont ete modifies

(a) under Section 13 of the []
Canada Business Corporations
Act in accordance with the
attached notice;

(a) en vertu de l'article 13 de la
Loi regissant les societes par
actions de regime federal
conformement a l'avis ci-joint;

(b) under Section 27 of the []
Canada Business Corporations
Act as set out in the attached
Articles of Amendment
designating a series of shares;

(b) en vertu de l'article 27 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses modificatrices ci-jointes
designant une serie d'actions;

(c) under Section 177 of the []
Canada Business Corporations
Act as set out in the attached
Articles of Amendment;

(c) en vertu de l'article 177 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses modificatrices ci-jointes;

(d) under Section 191 of the []
Canada Business Corporations
Act as set out in the attached
Articles of Reorganization;

(d) en vertu de l'article 191 de la
Loi regissant les societes par actions
de regime federal tel qu'indique
dans les clauses de reorganisation
ci-jointes;

(e) under Section 192 of the [X]
Canada Business Corporations
Act as set out in the attached
Articles of Arrangement.

(e) en vertu de l'article 192 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses d'arrangement ci-jointes.

Le directeur

MAY 15, 1992/LE 15 MAI 1992

/s/ signature illegible

Date of Amendment - Date de la modification

Director

Canada

Canada Business
Corporations Act

Loi regissant les sociétés
par actions de régime fédéral

FORM 14.1
ARTICLES OF
ARRANGEMENT
(SECTION 192)

FORMULE 14.1
CLAUSES
D'ARRANGEMENT
(ARTICLE 192)

1 - Name of Corporation -- Denomination de la
société

2 - Corporation No. - No de la société

South American Goldfields Inc.

238929-1

3 - In accordance with the order approving
the arrangement, the articles of the
corporation are amended as follows:

Conformément à l'ordonnance approuvant
l'arrangement, les statuts de la société sont
modifiés comme suit:

Pursuant to Sections 192(1)(c) and 192(3) of the Canada Business Corporations Act, Golden Star Resources Ltd. and South American Goldfields Inc. are amalgamated to carry on business as Golden Star Resources Ltd., in accordance with the Plan of Arrangement attached as Schedule A to these Articles of Arrangement, and in accordance with the provisions of Schedule B attached to these Articles of Arrangement.

Date	Signature	Description of Office - Description du poste
May 14, 1992	/s/ H. Pabst	Solicitor
CCA-1387 (02-89)46	Heinrich H. Pabst	FOR DEPARTMENTAL USE ONLY - A L'USAGE DU MINISTÈRE SEULEMENT Filed - Déposée

MAY 15, 1992

CCA 1780 (02-89) 46

SCHEDULE A

PLAN OF ARRANGEMENT

GOLDEN STAR RESOURCES LTD.

-AND-

SOUTH AMERICAN GOLDFIELDS INC.

WHEREAS:

A. Golden Star Resources Ltd. ("Golden Star") was incorporated pursuant to the provisions of the Business Corporations Act, S.A. 1981, c. B-15, as amended (the "ABCA") on March 7, 1984.

B. South American Goldfields Inc. ("South American") was amalgamated pursuant to the provisions of the Canada Business Corporations Act, R.S.C. 1985, c. C-44, as amended (the "CBCA") effective October 31, 1987.

C. Golden Star and South American wish to amalgamate pursuant to the provisions of this Plan of Arrangement, in accordance with Section 192 of the CBCA, to form a successor corporation ("Amalco").

The terms of this Plan of Arrangement are therefore as follows:

1. This Plan of Arrangement is being made pursuant to the provisions of an amalgamation agreement dated March 17, 1992 between Golden Star and South American.
2. The amalgamation is to become effective on that date (the "Effective Date") shown in the Certificate of Amendment issued by the Director of Corporations under the CBCA. Place du Portage, Ottawa/Hull, Canada.
3. (a) Subject to (d) below, pursuant to the amalgamation Amalco will as of the Effective Date issue one (1) Common share for every three and one quarter (3.25) outstanding common shares of South American and one (1) Amalco Common share for every one (1) outstanding common share of Golden Star.

(b) Pursuant to the amalgamation, each issued and outstanding option or warrant, as the case may be, to purchase South American common shares will be deemed exchanged for one option or warrant, as the case may be, issued by Amalco entitling the holder to purchase, until the original expiry date, for the same aggregate purchase price set forth in such holder's option or warrant, as the case may be, that number of Amalco Common shares equal to one (1) Amalco Common share for three and one quarter (3.25) South American common shares which such shareholder would otherwise have been entitled to receive had

the

holder exercised his option or warrant, as the case may be, prior to the said amalgamation.

(c) (i) Pursuant to the amalgamation each issued and outstanding option or warrant, as the case may be, to purchase Golden Star common shares will be deemed exchanged for one option or warrant, as the case may be, issued by Amalco entitling the holder to purchase, until the original expiry date, for the same exercise price per share set forth in such holder's option or warrant, as the case may be, the same number of Amalco Common shares.

(ii) Pursuant to the amalgamation, each issued and outstanding right to acquire Golden Star common shares will be deemed exchanged for one right issued by Amalco entitling the holder to acquire, until the original expiry date, the same number of Amalco Common shares and warrants which entitle the holder to purchase for the same exercise price the same number of Amalco Common shares.

(d) (i) If based upon the exchange ratio set out in (a) a shareholder would be entitled to a fractional Amalco Common share, then that shareholder shall only be issued the next lowest number of Amalco Common shares;

(ii) Golden Star common shares held by South American will be cancelled on the Effective Date;

(iii) Amalco Common shares shall not be issued for those Golden Star common shares or South American common shares in respect of which dissent rights pursuant to section 190 of the Act have been or as of the Effective Date are being properly exercised unless the holder thereof subsequently becomes disentitled to be paid the fair value in respect of those shares, in which case Amalco Common shares shall thereupon be issued for those Golden Star common shares or South American common shares in accordance with the exchange ratio in (a) above.

4. Following the Effective Date, Amalco shall call in all certificates representing Golden Star common shares and South American common shares and, following receipt of such certificates shall issue new certificates representing Amalco Common shares in accordance with the exchange ratios described in 3. above, subject to appropriate adjustments that may be required if the Amalco Common shares are consolidated prior to the issuance of such certificates.

5. (a) Amalco will be authorized to issue an unlimited number of Common shares having attached thereto, as a class, the following rights, privileges, restrictions and conditions:

(i) the right to vote;

(ii) the right, subject to any preferential rights attaching to any other class or series of shares of Amalco, to receive dividends as, when, and if declared on the Common shares by Amalco;

(iii) notwithstanding (ii), no dividends may be declared or paid on the Common shares if payment of the dividend would cause the realizable value of Amalco's assets to be less than the aggregate of its liabilities and the amount required to redeem all shares of Amalco then outstanding having attached thereto a redemption or retraction right;

(iv) the right, subject to any preferential rights attaching to any other class or series of shares of Amalco, to share in the remaining property of Amalco upon dissolution or other distribution of assets for the purpose of winding up Amalco's affairs.

(b) Amalco will also be authorized to issue an unlimited number of First Preferred shares having attached thereto, as a class, the following rights, privileges, restrictions and conditions:

(i) the First Preferred shares may be issued from time to time in one or more series with each series to consist of such number of First Preferred shares as may, before the issue thereof, be determined by the directors of Amalco;

(ii) before the first issue of First Preferred shares of a particular series the directors of Amalco shall by resolution determine the designation, rights, privileges, restrictions and conditions attaching to that series of First Preferred shares, which rights are completely in the discretion of the directors of Amalco subject to the requirements of the CBCA.

6. There shall be no restrictions on transfers of Amalco shares.

7. (a) Amalco shall have a minimum of three (3) and a maximum of fifteen (15) directors.

(b) On the Effective Date Amalco shall have six (6) directors who shall be the following individuals:

David K. Fagin	Roger Morton
David A. Fennell	Eric Friedland
J.P. Lefebvre	Richard Stark

8. On the Effective Date the auditors of Amalco shall be Deloitte & Touche.

9. There shall be no restrictions on the business Amalco may carry on.

10. The name of the amalgamated corporation shall be Golden Star Resources

Ltd.

11. The place within Canada where the registered office is to be situated shall be Edmonton, Alberta.

12. The Board of Directors of Amalco may from time to time, in such amounts and on such terms as it deems expedient:

(a) borrow money on the credit of Amalco;

(b) issue, sell or pledge debt obligations (including bonds, debentures, notes or other similar obligations, secured or unsecured) of Amalco;

(c) charge, mortgage, hypothecate or pledge all or any of the currently owned or subsequently acquired real or personal, movable or immovable, property of Amalco, including book debts, rights, powers, franchises and undertakings, to secure any debt obligations or any money borrowed, or other debt or liability of Amalco.

The Board of Directors may from time to time delegate to such one or more of the directors and officers of Amalco as may be designated by the Board all or any of the powers conferred on the Board above to such extent and in such manner as the Board shall determine at the time of each such delegation.

13. The by-laws of South American are to be the by-laws of Amalco.

14. As of and from the Effective Date:

(a) The amalgamation of Golden Star and South American and their continuance as one corporation, namely Amalco, shall become effected;

(b) The property of each of Golden Star and South American shall continue to be the property of Amalco;

(c) Amalco shall continue to be liable for the obligations of each of Golden Star and South American;

(d) Any existing cause of action, claim or liability to prosecution of either Golden Star or South American shall be unaffected;

(e) A civil, criminal or administrative action or proceeding pending by or against either Golden Star or South American may be continued to be prosecuted by or against Amalco;

(f) A conviction against, or ruling, order or judgment in favour of or against either Golden Star or South American may be enforced by or against Amalco; and

(g) The Articles of Arrangement of Amalco shall be deemed to be the Articles of Incorporation of Amalco and the certificate of amendment shall be deemed to be the certificate of incorporation of Amalco.

SCHEDULE B

1. The name of the amalgamated corporation is Golden Star Resources Ltd..
2. The place within Canada where the registered office is to be situated is Edmonton, Alberta.
3. The classes and any maximum number of shares that the corporation is authorized to issue are as follows:
 - (a) The Corporation is authorized to issue an unlimited number of Common shares having attached thereto, as a class, the following rights, privileges, restrictions and conditions:
 - (i) The right to vote.
 - (ii) The right, subject to any preferential rights attaching to any other class or series of shares of the Corporation, to receive dividends as, when, and if declared on the Common shares by the Corporation.
 - (iii) Notwithstanding (ii), no dividend may be declared or paid on the Common shares if payment of the dividend would cause the realizable value of the Corporation's assets to be less than the aggregate of its liabilities and the amount required to redeem all shares of the Corporation then outstanding having attached thereto a redemption or retraction right.
 - (iv) The right, subject to any preferential rights attaching to any other class or series of shares of the Corporation, to share in the remaining property of the Corporation upon dissolution or other distribution of assets for the purpose of winding up the Corporation's affairs.
 - (b) The Corporation is also authorized to issue an unlimited number of First Preferred shares having attached thereto, as a class, the following rights, privileges, restrictions, and conditions:
 - (i) The First Preferred shares may be issued from time to time in one or more series with each series to consist of such number of First Preferred shares as may, before the issue thereof, be determined by the directors of the Corporation.
 - (ii) Before the first issue of First Preferred shares of a particular series the directors of the Corporation shall by resolution determine the designation, rights, privileges, restrictions and conditions attaching to that series of First Preferred shares, which rights are completely in the discretion of the directors of the Corporation subject to the requirements of the Canada Business Corporations Act.
4. There are no restrictions on share transfers.

5. The corporation shall have a minimum of three (3) and a maximum of fifteen (15) directors.

6. There are no restrictions on the business the corporation may carry on.

7. The Board of Directors of the Corporation may from time to time, in such amounts and on such terms as it deems expedient:

(a) borrow money on the credit of the Corporation;

(b) issue, sell or pledge debt obligations (including bonds, debentures, notes or other similar obligations, secured or unsecured) of the Corporation;

(c) charge, mortgage, hypothecate or pledge all or any of the currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any debt obligations or any money borrowed, or other debt or liability of the Corporation.

The Board of Directors may from time to time delegate to such one or more of the directors and officers of the Corporation as may be designated by the Board all or any of the powers conferred on the Board above to such extent and in such manner as the Board shall determine at the time of each such delegation.

8. The by-laws of South American Goldfields Inc. are to be the by-laws of the amalgamated corporation.

CERTIFICATE OF AMENDMENT

CERTIFICAT DE MODIFICATION

CANADA BUSINESS
CORPORATIONS ACT

LOI REGISSANT LES SOCIETES
PAR ACTIONS DE REGIME FEDERAL

GOLDEN STAR RESOURCES LTD.

282128-1

Name of Corporation - Denomination de la societe

Number - Numero

I hereby certify that the
Articles of the above-mentioned
Corporation were amended

Je certifie par les presentes que
les statuts de la societe
mentionnee ci-haut ont ete modifiees

(a) under Section 13 of the
Canada Business Corporations
Act in accordance with the
attached notice; | _ |

(a) en vertu de l'article 13 de la
Loi regissant les societes par
actions de regime federal
conformement a l'avis ci-joint;

(b) under Section 27 of the
Canada Business Corporations
Act as set out in the attached
Articles of Amendment
designating a series of shares; | _ |

(b) en vertu de l'article 27 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses modificatrices ci-jointes
designant une serie d'actions;

(c) under Section 177 of the
Canada Business Corporations
Act as set out in the attached
Articles of Amendment; | X |

(c) en vertu de l'article 177 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses modificatrices ci-jointes;

(d) under Section 191 of the
Canada Business Corporations
Act as set out in the attached
Articles of Reorganization; | _ |

(d) en vertu de l'article 191 de la
Loi regissant les societes par actions
de regime federal tel qu'indique
dans les clauses de reorganisation
ci-jointes;

(e) under Section 192 of the
Canada Business Corporations
Act as set out in the attached
Articles of Arrangement. | _ |

(e) en vertu de l'article 192 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses d'arrangement ci-jointes.

Le directeur

/s/ signature illegible

Director

MAY 15, 1992 / LE 15 MAI 1992

Date of Amendment - Date de la modification

Canada Business
Corporations Act

Loi regissant les sociétés
par actions de régime fédéral

ARTICLES OF AMENDMENT
(SECTION 27 OR 177)

CLAUSES MODIFICATRICES
(ARTICLE 27 OU 177)

1 - Name of Corporation -- Denomination
de la société

2 - Corporation No. - No de la société

GOLDEN STAR RESOURCES LTD.

3 - The articles of the above-named
corporation are amended as follows:

Les statuts de la société ci-haut mentionnée
sont modifiés de la façon suivante:

Pursuant to subsection 173(1)(h) of the Canada Business Corporations Act,
each of the Corporation's issued Common Shares is changed into one-half of
an issued Common Share of the Corporation, provided that any holder thereof
shall not be entitled to any fractional Common Shares and such fractional
Common Shares are cancelled.

Date	Signature	Description of Office - Description du poste
May 14, 1992	/s/ H. Pabst	Solicitor
CCA-1387 (02-89)46	H.H. Pabst	FOR DEPARTMENTAL USE ONLY - A L'USAGE DU MINISTÈRE SEULEMENT Filed - Déposée

MAY 15, 1992

CERTIFICATE OF AMENDMENT

CANADA BUSINESS
CORPORATIONS ACT

CERTIFICAT DE MODIFICATION

LOI REGISSANT LES SOCIETES
PAR ACTIONS DE REGIME FEDERAL

GOLDEN STAR RESOURCES LTD.

282128-1

Name of Corporation - Denomination de la societe

Number - Numero

I hereby certify that the
Articles of the above-mentioned
Corporation were amended

Je certifie par les presentes que
les statuts de la societe
mentionnee ci-haut ont ete modifies

(a) under Section 13 of the
Canada Business Corporations
Act in accordance with the
attached notice; []

(a) en vertu de l'article 13 de la
Loi regissant les societes par
actions de regime federal
conformement a l'avis ci-joint;

(b) under Section 27 of the
Canada Business Corporations
Act as set out in the attached
Articles of Amendment
designating a series of shares; []

(b) en vertu de l'article 27 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses modificatrices ci-jointes
designant une serie d'actions;

(c) under Section 177 of the
Canada Business Corporations
Act as set out in the attached
Articles of Amendment; [X]

(c) en vertu de l'article 177 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses modificatrices ci-jointes;

(d) under Section 191 of the
Canada Business Corporations
Act as set out in the attached
Articles of Reorganization; []

(d) en vertu de l'article 191 de la
Loi regissant les societes par actions
de regime federal tel qu'indique
dans les clauses de reorganisation
ci-jointes;

(e) under Section 192 of the
Canada Business Corporations
Act as set out in the attached
Articles of Arrangement. []

(e) en vertu de l'article 192 de la
Loi regissant les societes par actions
de regime federal tel qu'indique dans
les clauses d'arrangement ci-jointes.

Le directeur

/s/ signature illegible

Director

March 26, 1993 / le 26 mars 1993

Date of Amendment - Date de la modification

1 - Name of Corporation -- Denomination de la société

2 - Corporation No. - No de la société

GOLDEN STAR RESOURCES LTD.

282128-1

3 - The articles of the above-named corporation are amended as follows:

Les statuts de la société ci-haut mentionnée sont modifiés de la façon suivante:

The Registered Office of the Corporation be changed from Edmonton, Alberta to the Greater Vancouver Regional District, B.C.

Signature

Description of Office - Description du poste

Feb. 19, 1993

/s/ signature illegible

Assistant Secretary

FOR DEPARTMENTAL USE ONLY - A L'USAGE DU MINISTÈRE SEULEMENT
Filed - Déposée

MAR 31 1993

CERTIFICATE
OF AMENDMENT

CANADA BUSINESS
CORPORATIONS ACT

CERTIFICAT
DE MODIFICATION

LOI CANADIENNE SUR
LES SOCIETES PAR ACTIONS

GOLDEN STAR RESOURCES LTD.

282128-1

Name of corporation - Denomination de la societe

Corporation number - Numero de la societe

I hereby certify that the articles of the above-named corporation were amended

Je certifie que les statuts de la societe susmentionnee ont ete modifies:

(a) under section 13 of the Canada Business Corporations Act in accordance with the attached notice;

[]

a) en vertu de l'article 13 de la Loi canadienne sur les societes par actions, conformement a l'avis ci-joint;

(b) under section 27 of the Canada Business Corporations Act as set out in the attached articles of amendment designating a series of shares;

[]

b) en vertu de l'article 27 de la Loi canadienne sur les societes par actions, tel qu'il est indique dans les clauses modificatrices ci-jointes designant une serie d'actions;

(c) under section 179 of the Canada Business Corporations Act as set out in the attached articles of amendment;

[]

c) en vertu de l'article 179 de la Loi canadienne sur les societes par actions, tel qu'il est indique dans les clauses modificatrices ci-jointes;

(d) under section 191 of the Canada Business Corporations Act as set out in the attached articles of reorganization;

[]

d) en vertu de l'article 191 de la Loi canadienne sur les societes par actions, tel qu'il est indique dans les clauses de reorganisation ci-jointes;

(e) under section 192 of the Canada Business Corporations Act as set out in the attached articles of arrangement.

[X]

e) en vertu de l'article 192 de la Loi canadienne sur les societes par actions, tel qu'il est indique dans les clauses d'arrangement ci-jointes.

/s/ signature illegible

Director - Directeur

MARCH 14, 1995 / LE 14 MARS 1995

DATE OF AMENDMENT - DATE DE MODIFICATION

Canada

- 1 - Name of applicant corporation(s) -- Denomination de la (des) requérante(s)
GOLDEN STAR RESOURCES LTD.
- 2 - Corporation No(s). -
No(s) de la(des) sociétée(s)
282128-1
- 3 - Name of the corporation(s) the articles of which are amended, if applicable Denomination de la (des) sociétée(s) dont les statuts sont modifiés, le cas échéant
GOLDEN STAR RESOURCES LTD.
- 4 - Corporation No(s). -
No(s) de la(des) sociétée(s)
282128-1
- 5 - Name of the corporation(s) created by amalgamation, if applicable Denomination de la (des) sociétée(s) issue(s) de la(des) fusion(s), le cas échéant
- 6 - Corporation No(s). -
No(s) de la(des) sociétée(s)
- 7 - Name of the dissolved corporation(s), if applicable Denomination de la (des) sociétée(s) dissoute(s), le cas échéant
- 8 - Corporation No(s). -
No(s) de la(des) sociétée(s)
- 9 - Name of other bodies corporate involved, if applicable Denomination des autres personnes morales en cause, le cas échéant
GUYANOR RESSOURCES S.A.
- 10 - Corporation No(s). or jurisdiction of incorporation -- No(s) de la(des) sociétée(s)/ ou loi sous le régime de laquelle elle est constituée FRANCE
- 11- In accordance with the order approving the arrangement,
 - (a) the articles of the above-named corporation(s) are amended in accordance with the attached plan of arrangement
[X] les statuts de la(des) sociétée(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint :
 - (b) the following bodies corporate are amalgamated in accordance with the attached plan of arrangement
[] les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint :
 - (c) the above-named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan of arrangement
[] la(les) sociétée(s) susmentionnée(s) est(sont) liquidée(s) et dissoute(s) conformément au plan d'arrangement ci-joint :
 - (d) the plan of arrangement attached hereto, involving the above-named body(ies), corporate is hereby effected
[X] le plan d'arrangement ci-joint portant sur la(les) personne(s) morale(s) susmentionnée(s) prend effet

Date: March 7, 1995
Signature: /s/ David K. Fagin
Title - Titre: Chairman and Chief Executive Officer
7530-21-935-1780(01-93)(46)
FOR DEPARTMENTAL USE ONLY - A L'USAGE DU MINISTRE SEULEMENT
Filed - Déposé
MAR 14, 1995

PLAN OF ARRANGEMENT

IN THE MATTER OF AN ARRANGEMENT between GOLDEN STAR RESOURCES LTD. and its shareholders pursuant to Section 192 of the Canada Business Corporations Act

ARTICLE 1 INTERPRETATION

1.1 In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings hereinafter set forth:

- (a) "ARRANGEMENT" means the arrangement under the provisions of section 192 of the CBCA on the terms and conditions set forth in this Plan of Arrangement or any amendment hereto made in accordance with section 5.1 of the Arrangement Agreement;
- (b) "ARRANGEMENT AGREEMENT" means the agreement dated as of the 21st day of December, 1994 between Golden Star and Guyanor to which this Plan of Arrangement is attached as Schedule A;
- (c) "CERTIFICATE OF AMENDMENT" means the certificate of amendment to be issued under the CBCA by the Director giving effect to the Arrangement;
- (d) "CBCA" means the Canada Business Corporations Act, R.S.C. 1985, c. C-44, as amended, together with all regulations promulgated pursuant thereto;
- (e) "DIRECTOR" means the director appointed under section 260 of the CBCA;
- (f) "EFFECTIVE DATE OF THE ARRANGEMENT" means the date set forth in the Certificate of Amendment;
- (g) "GOLDEN STAR" means Golden Star Resources Ltd., a corporation formed by amalgamation under the laws of Canada;
- (h) "GOLDEN STAR COMMON SHARES" means the common shares in the capital of Golden Star issued and outstanding before the issuance of the Certificate of Amendment;
- (i) "GUYANOR" means Guyanor Ressources S.A., a corporation (societe anonyme) incorporated under the laws of France;
- (j) "GUYANOR CLASS B COMMON SHARES" means Guyanor Class B common shares in the capital of Guyanor;
- (k) "NEW GOLDEN STAR COMMON SHARES" means the "Common Shares" in the capital of Golden Star created pursuant to section 3.1 (a) of this Plan of Arrangement;

(l) "OPTIONS" means stock options granted under the Option Plans and stock options granted by Golden Star outside of the Option Plans that are governed by stock option agreements and which are outstanding on the Effective Date of the Arrangement;

(m) "OPTION PLANS" means the 1992 Employees' Stock Option Plan and the 1992 Non-Discretionary Directors' Stock Option Plan, each as amended;

(n) "RIGHTS" means all rights issued by Golden Star which are outstanding on the Effective Date of the Arrangement and which entitle the holders thereof to acquire Golden Star Common Shares;

(o) "WARRANTS" means the share purchase warrants of Golden Star issued under the Warrant Indenture; and

(p) "WARRANT INDENTURE" means the warrant indenture made as of February 2, 1994 between Golden Star and The R-M Trust Company.

1.2 The division of this Plan of Arrangement into articles, sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof" and "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

ARTICLE 2 ARRANGEMENT AGREEMENT

2.1 This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.

ARTICLE 3 THE ARRANGEMENT

3.1 On the Effective Date of the Arrangement the following shall occur and be deemed to occur in the following order without further acts or formality, subject to the provisions of Article 4 hereof:

(a) the articles of Golden Star shall be amended by increasing the authorized capital of Golden Star by the creation of an unlimited number of shares to be designated "Common Shares" (and which are referred to in this Plan of Arrangement as "New Golden Star Common Shares"). Such Common Shares shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions:

(i) the right to vote at all meetings of shareholders of Golden Star, except meetings at which only holders of a specified class of shares are entitled to vote;

- (ii) the right, subject to any preferential rights attaching to any other class or series of shares of Golden Star, to receive dividends as, when, and if declared on the Common Shares by Golden Star;
- (iii) Notwithstanding (ii), no dividend may be declared or paid on the Common Shares if payment of the dividend would cause the realizable value of Golden Star's assets to be less than the aggregate of its liabilities and the amount required to redeem all shares of Golden Star then outstanding having attached thereto a redemption or retraction right; and
- (iv) the right, subject to any preferential rights attaching to any other class or series of shares of Golden Star, to share in the remaining property of Golden Star upon dissolution or other distribution of assets for the purpose of winding up Golden Star's affairs.
- (b) each of the issued and outstanding Golden Star Common Shares, other than those in respect of which the holder thereof has exercised a right of dissent pursuant to section 4.1 hereof, shall be and shall be deemed to be exchanged for one New Golden Star Common Share and one-fifth of one Guyanor Class B Common Share acquired by Golden Star from Guyanor;
- (c) with respect to the Golden Star Common Shares which are exchanged pursuant to subsection 3.1(b):
- (i) such Golden Star Common Shares shall be deemed to be transferred to Golden Star and cancelled;
- (ii) the holder of such Golden Star Common Shares shall cease to be a holder of such Golden Star Common Shares and such holder's name shall be removed from the register of Golden Star Common Shares with respect to such exchanged Golden Star Common Shares;
- (iii) there shall be and be deemed to be issued to such holder as fully paid and non-assessable shares an equivalent number of New Golden Star Common Shares and such holder's name shall be added to the register of New Golden Star Common Shares as registered holder of such shares and the share certificate representing Golden Star Common Shares held by such holder shall represent New Golden Star Common Shares, of the same number, after the above-described exchange;
- (iv) subject to clause 3.1(c)(iv), there shall be and be deemed to be issued to such holder as fully paid and non-assessable shares one-fifth of one Guyanor Class B Common Share for each Golden Star Common Share held and such Guyanor Class B Common Shares shall be represented and held as set forth in section 5.2 hereof;
- (v) fractions of Guyanor Class B Common Shares issuable upon the exchange of such Golden Star Common Shares shall be and shall be deemed to be

consolidated into whole Guyanor Class B Common Shares and no fractional Guyanor Class B Common Shares will actually be issued, provided that fractions of Guyanor Class B Common Shares that in the hands of a holder cannot be consolidated into a whole share will be retained by Golden Star and Golden Star shall pay each shareholder who would otherwise have held such unconsolidated fractions the fair market value thereof based on the fair market value of a whole Guyanor Class B Common Share as at the Effective Date of the Arrangement;

(d) the articles of Golden Star shall be further amended by reducing the authorized capital of Golden Star by the removal therefrom of the Golden Star Common Shares as they existed before the issuance of the Certificate of Amendment so that Golden Star is authorized to issue an unlimited number of "Common Shares" (referred to in this Plan of Arrangement as "New Golden Star Common Shares") as set forth in subsection 3.1(a) hereof and an unlimited number of First Preferred shares having the rights, privileges, restrictions and conditions as heretofore authorized; and

(e) for the purposes of the CBCA, the stated capital account maintained for the Golden Star Common Shares shall become the stated capital account for the New Golden Star Common Shares, provided that such stated capital account shall be reduced to an amount equal to the stated capital of the Golden Star Common Shares immediately prior to the issuance of the Certificate of Amendment less the amount that is the total of

(i) the amount that is determined by the board of directors of Golden Star to be the fair market value of the Guyanor Class B Common Shares distributed by Golden Star as part of the exchange effected in accordance with subsection 3.1(b) hereof and (ii) the aggregate amount paid by Golden Star for fractions of Guyanor Class B Common Shares pursuant to clause 3.1(c)(iv) hereof, and provided further that such stated capital account shall be adjusted in accordance with the CBCA in respect of Golden Star Common Shares acquired from holders exercising their right of dissent pursuant to section 4.1 hereof.

3.2 Upon the effectiveness of the Arrangement on the Effective Date of the Arrangement, the following shall apply:

(a) further to the provisions of the Warrant Indenture, upon the exercise of Warrants, for each Golden Star Common Share that the holder would have been entitled to receive, the holder will be entitled to receive from Golden Star one New Golden Star Common Share and one-fifth of one Guyanor Class B Common Share;

(b) further to the provisions of the Option Plans and outstanding stock option agreements governing Options granted by Golden Star, upon the exercise of Options, for each Golden Star Common Share that the holder would have been entitled to receive, the holder will be entitled to receive from Golden Star one New Golden Star Common Share and one-fifth of one Guyanor Class B Common Share; and

(c) further to the instruments governing the Rights, upon the exercise of Rights, for each Golden Star Common Share that the holder would have been entitled to receive, the holder will be entitled to receive from Golden Star one New Golden Star Common Share and one-fifth of one Guyanor Class B Common Share.

**ARTICLE 4
DISSENTING SHAREHOLDERS**

4.1 Holders of Golden Star Common Shares may exercise rights of dissent pursuant to and in the manner set forth in section 190 of the CBCA (or any successor provision effective as of the Effective Date of the Arrangement) and this section 4.1 in connection with the Arrangement.

4.2 Holders who exercise the rights of dissent set forth in section 4.1 hereof and who are ultimately entitled to be paid fair value for their Golden Star Common Shares shall be deemed to have surrendered such shares to Golden Star for cancellation immediately prior to the exchange of Golden Star Common Shares on the Effective Date of the Arrangement.

4.3 Holders who exercise the rights of dissent set forth in section 4.1 hereof and who, for any reason, are ultimately not entitled to be paid fair value for the Golden Star Common Shares shall be deemed to have participated in the Arrangement on the same basis as any non-dissenting holder of Golden Star Common Shares as at and from the Effective Date of the Arrangement.

**ARTICLE 5
OUTSTANDING SHARE CERTIFICATES
AND "NON-CERTIFICATED" GUYANOR CLASS B COMMON SHARES**

5.1 Notwithstanding the exchange of Golden Star Common Shares for New Golden Star Common Shares under the Arrangement, on and after the Effective Date of the Arrangement each certificate representing Golden Star Common Shares shall represent and shall be deemed to represent New Golden Star Common Shares of the same number without any further action on the part of the holder of such certificate.

5.2 Guyanor Class B Common Shares exchanged for Golden Star Common Shares under the Arrangement will not be represented by any share certificates. Such Guyanor Class B Common Shares will be represented in the form of fully registered non-certificated share positions in accordance with procedures adopted by Guyanor for the registration and transfer of Guyanor Class B Common Shares and will be initially held by a custodian, appointed by Golden Star, on behalf of each holder entitled thereto.

5.3 As soon as practicable after the Effective Date, Golden Star shall cause to be forwarded to each shareholder of Golden Star, at the address of such holder as it appears on the appropriate register for such securities, a notice of the effectiveness of the Arrangement and of the provisions of sections 5.1 and 5.2 hereof, together with further information on the custodian for the Guyanor Class B Common Shares exchanged for the Golden Star

Common Shares under the Arrangement and the registration and transfer procedures for such Guyanor Class B Common Shares.

CERTIFICATE
OF AMENDMENT

CERTIFICAT
DE MODIFICATION

CANADA BUSINESS
CORPORATIONS ACT

LOI CANADIENNE SUR
LES SOCIETES PAR ACTIONS

GOLDEN STAR RESOURCES LTD.

282128-1

Name of corporation - Denomination de la societe

Corporation number - Numero de la societe

I hereby certify that the articles of the
above-named corporation were amended

Je certifie que les statuts de la societe
susmentionnee ont ete modifies :

(a) under section 13 of the Canada Business
Corporations Act in accordance with the attached
notice;

[] a) en vertu de l'article 13 de la Loi
canadienne sur les societes par actions,
conformement a l'avis ci-joint;

(b) under section 27 of the Canada Business
Corporations Act as set out in the attached articles
of amendment designating a series of shares;

[] b) en vertu de l'article 27 de la Loi
canadienne sur les societes par actions, tel
qu'il est indique dans les clauses
modificatrices ci-jointes designant une serie
d'actions;

(c) under section 179 of the Canada Business
Corporations Act as set out in the attached articles
of amendment;

[X] c) en vertu de l'article 179 de la Loi
canadienne sur les societes par actions, tel
qu'il est indique dans les clauses
modificatrices ci-jointes;

(d) under section 191 of the Canada Business
Corporations Act as set out in the attached articles
of reorganization.

[] d) en vertu de l'article 191 de la Loi
canadienne sur les societes par actions, tel
qu'il est indique dans les clauses de
reorganisation ci-jointes.

/s/ signature illegible

Director - Directeur

JULY 29, 1996 / LE 29 JUILLET 1996
DATE OF AMENDMENT - DATE DE MODIFICATION

CANADA BUSINESS CORPORATIONS ACT

FORM 4

**ARTICLES OF AMENDMENT
(SECTION 27 OR 177)**

1 - Name of Corporation

GOLDEN STAR RESOURCES LTD.

2 - Corporation No.

282128-1

3 - The articles of the above-named corporation are amended as follows:

The following provision be added to Section 7:

"The directors may appoint one or more directors, who shall hold office for a term expiring not later than the close of the next annual general meeting of shareholders, provided that the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of shareholders.

Date
July 25, 1996

Signature
/s/ Louis Peloquin

Description of Office
Vice President & General Counsel

CERTIFICATE
OF AMENDMENT

CERTIFICAT
DE MODIFICATION

CANADA BUSINESS
CORPORATIONS ACT

LOI CANADIENNE SUR
LES SOCIETES PAR ACTIONS

GOLDEN STAR RESOURCES LTD.

282128-1

Name of corporation - Denomination de la societe

Corporation number - Numero de la societe

I hereby certify that the articles of the
above-named corporation were amended:

Je certifie que les statuts de la societe
susmentionnee ont ete modifies :

- a) under section 13 of the Canada
Business Corporations Act in
accordance with the attached notice;
- b) under section 27 of the Canada
Business Corporations Act as set out in
the attached articles of amendment
designating a series of shares;
- c) under section 179 of the Canada
Business Corporations Act as set out in
the attached articles of amendment;
- d) under section 191 of the Canada
Business Corporations Act as set out in
the attached articles of reorganization;

- [] a) en vertu de l'article 13 de la Loi
canadienne sur les societes par
actions, conformement a l'avis ci-joint;
- [] b) en vertu de l'article 27 de la Loi
canadienne sur les societes par
actions, tel qu'il est indique dans les
clauses modificatrices ci-jointes
designant une serie d'actions;
- [X] c) en vertu de l'article 179 de la Loi
canadienne sur les societes par
actions, tel qu'il est indique dans les
clauses modificatrices ci-jointes;
- [] d) en vertu de l'article 191 de la Loi
canadienne sur les societes par
actions, tel qu'il est indique dans les
clauses de reorganisation ci-jointes.

/s/ signature illegible

July 10, 2002 / le 10 juillet 2002

Director - Directeur

Date of Amendment - Date de modification

Processing Type - Mode de traitement: E - Commerce:Commerce-E

1 - Name of Corporation -- Denomination de la societe

2 - Corporation No. - No de la societe

GOLDEN STAR RESOURCES LTD.

282128-1

3 - The articles of the above-named corporation are amended as follows:

Les statuts de la societe mentionnee ci-dessus sont modifies de la facon
suivante:

The following provisions be added to Section 7 "Other Provisions, if any."

"Meetings of the shareholders may be held outside of Canada at any of the
following places in the United States: of the greater urban areas of
Denver, Colorado, Littleton, Colorado and New York, New York, in London,
England and any other place, as determined from time to time by the Board
of Directors."

Date

Name - Nom

Signature

Capacity of - en qualite

2002-07-10

ALLAN MARTER

AUTHORIZED OFFICER

EXHIBIT 4.2

BY-LAW NUMBER TWO

A By-law respecting the borrowing of money and the issue of securities by
GOLDEN STAR RESOURCES LTD.

The directors of the Corporation may from time to time:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, sell or pledge debt obligations of the Corporation, including without limitation, bonds debentures, notes or other similar obligations of the Corporation whether secured or unsecured;
- (c) charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the Corporation, including book debts, rights, powers, franchises and undertaking, to secure any such debt obligations or any money borrowed, or other debt or liability of the Corporation.
- (d) delegate to such one or more of the officers and directors of the Corporation as may be designated by the directors all or any of the powers conferred by the foregoing clauses of this By-law to such extent and in such manner as the directors shall determine at the time of each delegation.

This By-law is effective on May 15, 1992 pursuant to the Certificate of Amendment issued to the Corporation on May 15, 1992 under the Act.

/s/ David K. Fagin

CHAIRMAN

/s/ David A. Fennell

PRESIDENT

BY-LAW NUMBER THREE

A By-law respecting the borrowing of money and the issue of securities by
GOLDEN STAR RESOURCES LTD.

The Directors of the Corporation are hereby authorized from time to time:

- (a) to borrow money upon the credit of Corporation in such amounts and on such terms as may be deemed expedient by obtaining loans or advances or by way of overdraft or otherwise;
- (b) to issue or reissue debt obligations of the Corporation;
- (c) to pledge or sell such debt obligations for such sums and at such prices as may be deemed expedient;
- (d) to mortgage, charge, hypothecate, pledge or otherwise create a security interest in all or any property real and personal, immovable and moveable, undertaking and rights of the Corporation, owned or subsequently acquired, to secure any debt obligations of the Corporation present or future or any money borrowed or to be borrowed of any other debt or liability of the Corporation present or future;
- (e) to give a guarantee on behalf of the Corporation to secure the performance of an obligation, of any person present or future;
- (f) to delegate to such officer(s), Director(s) or committee of Directors of the Corporation as the Directors may designate all or any of the foregoing powers to such extent and such manner as the Directors may determine.

This By-law shall remain in force and be binding upon the Corporation as regards any party acting on the faith thereof until a copy, certified by the Secretary of the Corporation, of a By-law repealing or replacing this By-law shall have been received by such party and duly acknowledged in writing.

This By-law is effective May 15, 1992 pursuant to the Certificate of Amendment issued to the Corporation on May 15, 1992 under the Act.

/s/ David K. Fagin

CHAIRMAN

/s/ David A. Fennell

PRESIDENT

EXHIBIT 4.3

RIGHTS AGREEMENT

DATED AS OF

APRIL 24, 1996

BETWEEN

GOLDEN STAR RESOURCES LTD.

AND

THE R-M TRUST COMPANY

AS RIGHTS AGENT

RIGHTS AGREEMENT

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RIGHTS AGREEMENT

MEMORANDUM OF AGREEMENT, dated April 24, 1996 between Golden Star Resources Ltd., a corporation incorporated under the Canada Business Corporations Act, and The R-M Trust Company, a trust company incorporated under the laws of Canada;

WHEREAS

1. the Board of Directors has determined it is in the best interests of the Corporation to adopt a shareholder bid approval plan to ensure, to the extent possible, that all shareholders of the Corporation are treated fairly in connection with any take-over offer for the Corporation;
2. in order to implement the adoption of a shareholder bid approval plan as established by this Agreement, the Board of Directors of the Corporation has
 - (a) authorized the issuance, effective at 12:01 a.m. (Vancouver time) on the Effective Date of one Right in respect of each Common Share outstanding at 12:01 a.m. (Vancouver time) on the Effective Date (the "Record Time"); and
 - (b) authorized the issuance of one Right in respect of each Common Share issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time;
3. each Right entitles the holder thereof, after the Separation Time, to purchase securities of the Corporation pursuant to the terms and subject to the conditions set forth herein;
4. the Corporation desires to appoint the Rights Agent to act on behalf of the Corporation and the holders of Rights, and the Rights Agent is willing to so act, in connection with the issuance, transfer, exchange and replacement of Rights Certificates, the exercise of Rights and other matters referred to herein;

NOW THEREFORE, in consideration of and subject to the premises and the respective agreements set out in this agreement, the parties agree as follows:

PART 1 - INTERPRETATION

1.1 CERTAIN DEFINITIONS

For purposes of this Agreement

(1) "ACQUIRING PERSON" means any Person who is the Beneficial Owner of 20 per cent or more of the outstanding Voting Shares, but the term "Acquiring Person" does not include

(i) the Corporation or any Subsidiary of the Corporation;

(ii) any Person who becomes the Beneficial Owner of 20% or more of the outstanding Voting Shares as a result of any one or a combination of:

(A) an acquisition or redemption by the Corporation of Voting Shares which, by reducing the number of Voting Shares outstanding, increases the proportionate number of Voting Shares Beneficially Owned by such Person to 20% or more of the Voting Shares then outstanding, or

(B) share acquisitions made pursuant to a Permitted Bid or a Competing Permitted Bid ("Permitted Bid Acquisitions"), or

(C) share acquisitions (1) in respect of which the Board of Directors has waived the application of Section 3.1 pursuant to subsections 5.1(2) or 5.1(4) or (2) which were made on or prior to the date of this Agreement or (3) which were made pursuant to any dividend reinvestment plan of the Corporation or (4) pursuant to the receipt and exercise of rights issued by the Corporation to all the holders of the Voting Shares to subscribe for or purchase Voting Shares or Convertible Securities, provided that such rights are acquired directly from the Corporation and not from any other person or (5) pursuant to a distribution by the Corporation of Voting Shares or Convertible Securities made pursuant to a prospectus or by way of a private placement by the Corporation, provided that the Person does not thereby acquire a greater percentage of such Voting Shares or Convertible Securities so distributed than the Person's percentage of Voting Shares Beneficially Owned immediately prior to such acquisition ("Exempt Acquisitions"), or

(D) the exercise of Convertible Securities received by such Person pursuant to a Permitted Bid Acquisition, Exempt Acquisition or a Pro Rata Acquisition (as defined below) ("Convertible Security Acquisitions"), or

(E) acquisitions as a result of a stock dividend, a stock split or other event pursuant to which such Person receives or acquires Voting Shares or Convertible Securities on the same pro rata basis as all other holders of Voting Shares of the same class ("Pro Rata Acquisitions");

provided, however, that if a Person shall become the Beneficial Owner of 20% or more of the Voting Shares of the Corporation then outstanding by reason of any one or a combination of (i) share acquisitions or redemptions by the Corporation or (ii) Permitted Bid Acquisitions or (iii) Exempt Acquisitions or (iv) Convertible Security Acquisitions or (v) Pro Rata Acquisition and, after such share acquisitions or redemptions by the Corporation or Permitted Bid Acquisitions or Exempt Acquisitions or Convertible Security Acquisitions or Pro Rata Acquisitions, becomes the Beneficial Owner of more than an additional one percent of the number of Voting Shares of the Corporation outstanding other than pursuant to any one or combination of Permitted Bid Acquisitions, Exempt Acquisitions, Convertible Security Acquisitions or Pro Rata Acquisitions, then as of the date of any such acquisition such Person shall become an "Acquiring Person";

(iii) for a period of 10 days after the Disqualification Date, any Person who becomes the Beneficial Owner of 20 per cent or more of the outstanding Voting Shares as a result of such Person becoming disqualified from relying on paragraph 1.1(6)(vi) solely because such Person is making or has announced an intention to make a Take-over Bid, either alone or by acting jointly or in concert with any other Person, and for the purposes of this definition, "Disqualification Date" means the first date of public announcement of facts indicating that a Person is making or has announced an intention to make a Take-over Bid;

(iv) an underwriter or member of a banking or selling group that becomes the Beneficial Owner of 20 per cent or more of the Voting Shares in connection with a bona fide distribution to the public of securities; or

(v) any Person who is the Beneficial Owner of 20 percent or more of the Voting Shares at the date of this Agreement, except that if such Person's Beneficial Ownership of Voting Shares thereafter increases by more than one per cent of the number of outstanding Voting Shares other than by reason of the operation of one or any combination of paragraphs (A), (B), (C), (D) or (E) above, then, as of the date of any such acquisition, such Person shall become an "Acquiring Person";

(2) "AFFILIATE" used to indicate a relationship with a specified Person, shall mean a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such a specified Person;

(3) "AGREEMENT" means this rights agreement dated April 24, 1996 between the Corporation and the Rights Agent, as the same may be further amended or supplemented from time to time;

(4) "ANNUAL CASH DIVIDEND" means any cash dividends paid in any fiscal year of the Corporation to the extent that such cash dividends do not exceed, in the aggregate, the greatest of

- (i) 200 PER CENT of the aggregate amount of cash dividends declared payable by the Corporation on its Common Shares in its immediately preceding fiscal year;
 - (ii) 300 PER CENT of the arithmetic mean of the aggregate amounts of the annual cash dividends declared payable by the Corporation on its Common Shares in its three immediately preceding fiscal years; and
 - (iii) 100 PER CENT of the aggregate consolidated net income of the Corporation, before extraordinary items, for its immediately preceding fiscal year;
- (5) "ASSOCIATE" means, when used to indicate a relationship with a specified Person:
- (i) a spouse of that Person or any Person of the same or opposite sex with whom that Person is living in a conjugal relationship outside marriage or a child of that Person; and
 - (ii) a relative of that Person or of a Person mentioned in paragraph 1.1(5)(i) if that relative has the same residence as that Person;
- (6) A Person is deemed the "BENEFICIAL OWNER" of and to have "BENEFICIAL OWNERSHIP" of and to "BENEFICIALLY OWN"
- (i) any securities of which such Person is the owner at law or in equity;
 - (ii) any securities as to which such Person has the right to become the owner at law or in equity (whether such right is exercisable immediately or after the lapse or passage of time and whether or not on condition or the happening of any contingency or otherwise) pursuant to any agreement, whether or not in writing (other than customary agreements among underwriters and banking group members and selling group members with respect to a bona fide public offering of securities and other than bona fide pledges of securities in the ordinary course of business), or upon the exercise of any conversion right, exchange right, share purchase right (other than the Rights), warrant or option, or otherwise; and
 - (iii) any securities that are Beneficially Owned within the meaning of paragraphs 1.1 (6)(i) or (ii) by any other Person with whom such Person is acting jointly or in concert;
- except that a Person is not to be deemed the "Beneficial Owner" of or to have "Beneficial Ownership" of or to "Beneficially Own" any security
- (iv) because such security has been deposited or tendered pursuant to any Take-over Bid made by such Person, by any of such Person's Affiliates or Associates or by any other Person referred to in paragraph 1.1(6)(iii), until such deposited or tendered security has been taken up or paid for, or accepted unconditionally for payment or exchange, whichever shall first occur;

(v) because such Person or any other Person acting jointly or in concert with such Person has or shares the power to vote or direct the voting of such security pursuant to a revocable proxy given in response to (or in connection with or in order to participate in) a public proxy solicitation or has an agreement, arrangement or understanding with respect to a shareholder proposal or proposals or a matter or matters to come before a meeting of shareholders, including the election of directors;

(vi) if:

(A) the ordinary business of any such Person (the "Investment Manager") includes the management of investment funds for others (which for greater certainty, may include or be limited to one or more employee benefit plans or pension plans) and the Investment Manager is acting in the ordinary course of such business in the performance of such Investment Manager's duties for the account of any other Person (a "Client");

(B) such Person (the "Trust Company") is licensed to carry on the business of a trust company under applicable laws and, as such, acts as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent Persons (each an "Estate Account") or in relation to other accounts (each an "Other Account") and is acting in the ordinary course of such duties for the estate of any such deceased or incompetent Person or for such other accounts;

(C) the ordinary business of such person includes acting as an agent of the Crown in the management of public assets (the "Crown Agent");

(D) the Person is an independent person established by statute for purposes that include, and the ordinary business or activity of such Person (the "Independent Person") includes, the management of investment funds for employee benefit plans, pension plans, insurance plans or various public bodies; or

(E) such Person (the "Administrator") is the administrator or trustee of one or more pension funds or plans (a "Plan") registered under applicable laws and holds such security for the purposes of its activities as such;

but only if the Investment Manager, the Trust Company, the Crown Agent, the Independent Person or the Administrator, as the case may be, is not making and has not announced an intention to make a Take-over Bid, other than an Offer to Acquire Voting Shares or other securities by means of a distribution by the Corporation or by means of ordinary market transactions (including prearranged trades) executed through the facilities of a stock exchange or an organized over-the-counter market, alone or by acting jointly or in concert with any other Person;

(vii) because such Person or any other Person acting jointly or in concert with such Person is (A) a Client of the same Investment Manager as another Person on whose account the Investment Manager holds or exercises voting or dispositive power over such security, or (B) because such Person is an Estate Account or an Other Account of the same Trust Company as another Person on whose account

the Trust Company holds or exercises voting or disposition power over such security, or (C) a Plan with the same Administrator as another Plan;

(viii) because such Person or any other Person acting jointly or in concert with such Person is (A) a Client of the Investment Manager and such security is owned at law or in equity by the Investment Manager, or (B) an Estate Account or an Other Account of a Trust Company and such security is owned at law or in equity by the Trust Company, or (C) a Plan and such security is owned at law or in equity by the Administrator of the Plan but only if the Investment Manager, the Trust Company or the Administrator is not acting jointly or in concert with the Client, the Estate or Other Account or the Plan, as the case may be, in acquiring such security;

(7) "BOARD OF DIRECTORS" means the board of directors of the Corporation or any duly constituted and empowered committee of that board;

(8) "BUSINESS DAY" means any day other than a Saturday, Sunday or a day on which banking institutions in Vancouver, British Columbia are authorized or obligated by law to close;

(9) "CANADA BUSINESS CORPORATION ACT" means the CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c.C-44, as amended, and any regulations made under it and any successor laws or regulations;

(10) "CANADIAN DOLLAR EQUIVALENT" of any amount which is expressed in United States Dollars means, on any date, the Canadian dollar equivalent of such amount determined by multiplying such amount by the U.S. - Canadian Exchange Rate in effect on such date;

(11) "CLOSE OF BUSINESS" on any given date means the time on such date (or, if such date is not a Business Day, the time on the next succeeding Business Day) at which the principal transfer office in Vancouver, British Columbia of the transfer agent for the Common Shares of the Corporation (or, after the Separation Time, the principal transfer office in Vancouver of the Rights Agent) is closed to the public;

(12) "COMMON SHARES" means the common shares in the capital of the Corporation;

(13) "COMPETING PERMITTED BID" means a Take-over Bid made while another Permitted Bid is in existence and that satisfies all of the provisions of a Permitted Bid except that the condition set forth in paragraph 1.1(35)(ii) may provide that the Voting Shares that are the subject of the Take-over Bid may be taken up or paid for on a date which is not earlier than the later of (i) 21 days after the date of the Take-over Bid; and (ii) the earliest date on which Voting Shares may be taken up and paid for under any other Permitted Bid or Competing Permitted Bid that is then in existence for the Voting Shares;

(14) A corporation is "CONTROLLED" by another Person or two or more Persons if

(i) securities entitled to vote in the election of directors carrying more than 50 per cent of the votes for the election of directors are held, directly or indirectly, by or for the benefit of the other Person or Persons; and

(ii) the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of the corporation;

and "CONTROLS", "CONTROLLING" and "UNDER COMMON CONTROL WITH" shall be interpreted accordingly;

(15) "CONVERTIBLE SECURITIES" means at any time any right (contractual or otherwise and regardless of whether such right constitutes a security) to acquire Voting Shares from the Corporation and any securities issued by the Corporation from time to time (other than the Rights) carrying any exercise, conversion or exchange right which is then exercisable pursuant to which the holder thereof may acquire Voting Shares or other securities which are convertible into or exercisable or exchangeable for Common Shares (whether or not on condition or the happening of any contingency) including, at the relevant time of determination, any outstanding options for the purchase of Common Shares issued under the Corporation's stock option programs which are then exercisable.

(16) "CONVERTIBLE SECURITY ACQUISITIONS" has the meaning ascribed thereto in paragraph 1.1(1)(ii)(D);

(17) "CO-RIGHTS AGENTS" has the meaning ascribed to that phrase in subsection 4.1(1);

(18) "CORPORATION" means Golden Star Resources Ltd.;

(19) "DISPOSITION DATE" has the meaning ascribed to that phrase in subsection 5.1(2);

(20) "ELECTION TO EXERCISE" has the meaning ascribed thereto in subsection 2.2(6);

(21) "EFFECTIVE DATE" means April 24, 1996;

(22) "EXEMPT ACQUISITION" has the meaning ascribed thereto in paragraph 1.1(1)(ii)(C);

(23) "EXERCISE PRICE" means, as of any date, the price at which a holder may purchase the securities issuable upon exercise of one whole Right which, until adjustment thereof in accordance with the terms hereof, is \$200.00;

(24) "EXPANSION FACTOR" has the meaning ascribed thereto in subsection 2.3 (1);

(25) "EXPIRATION TIME" means the close of business on the date that is the earlier of: (a) the time at which the right to exercise Rights shall terminate pursuant to Section 5.1 and Section 5.15 hereof; and (b) June 30, 1999;

(26) "FIDUCIARY" means a trust company registered under the trust company legislation of Canada or any province thereof or a portfolio manager registered under the securities legislation of one or more provinces of Canada;

(27) "FLIP-IN EVENT" means a transaction pursuant to which any Person becomes an Acquiring Person;

(28) "HOLDER" has the meaning ascribed thereto in section 2.8;

(29) "INDEPENDENT SHAREHOLDERS" means holders of Voting Shares, other than

(i) any Acquiring Person,

(ii) any Offeror,

(iii) any Affiliate or Associate of any Acquiring Person or Offeror,

(iv) any Person acting jointly or in concert with any Acquiring Person or Offeror, or with any Affiliate or Associate of any Acquiring Person or Offeror, and

(v) any employee benefit plan, deferred profit sharing plan, stock participation plan or trust for the benefit of employees of the Corporation unless the employee directs the manner in which the Voting Shares are to be voted or directs whether the Voting Shares be tendered to a Take-over Bid;

(30) "MARKET PRICE" per share of any securities on any date of determination means the average of the daily closing prices per share of such securities (determined as described below) on each of the 20 consecutive Trading Days through and including the Trading Day immediately preceding such date, except that if an event of a type analogous to any of the events described in section 2.3 hereof causes the closing prices used to determine the Market Price on any Trading Days not to be fully comparable with the closing price on such date of determination or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day, each such closing price so used shall be appropriately adjusted in a manner analogous to the applicable adjustment provided for in section 2.3 hereof in order to make it fully comparable with the closing price on such date of determination or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day. The closing price per share of any securities on any date is

(i) the closing board lot sale price or, in case no such sale takes place on that date, the average of the closing bid and asked prices for each of such securities as reported by the principal Canadian stock exchange (as determined by the Board of Directors) on which such securities are listed or admitted to trading;

(ii) if for any reason none of such prices is available on that date or the securities are not listed or posted for trading on a Canadian stock exchange, the last sale price or, in case no such sale takes place on that date, the average of the closing bid and asked prices for each of such securities as reported by the principal national United States securities exchange (as determined by the Board of Directors) on which such securities are listed or admitted to trading;

(iii) if for any reason none of such prices is available on that date or the securities are not listed or admitted to trading on a Canadian stock exchange or a national United States securities exchange, the last sale price, or in case no sale takes place on that date, the average of the high bid and low asked prices for each of such

securities in the over-the-counter market, as quoted by any reporting system then in use (as determined by the Board of Directors);

(iv) if for any reason none of such prices is available on that date or the securities are not listed or admitted to trading on a Canadian stock exchange or a national United States securities exchange or quoted by any such reporting system, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the securities selected by the Board of Directors; or

(v) if for any reason none of such prices is available on that date, the closing price per share of such securities on such date as determined by the Board of Directors, after consultation with duly qualified financial advisors with respect to the fair value per share of such securities. The Market Price shall be expressed in Canadian dollars and, if initially determined in respect of any day forming part of the 20 consecutive Trading Day period in question in United States dollars, such amount shall be translated into Canadian dollars on such date at the Canadian Dollar Equivalent thereof;

(31) "NOMINEE" has the meaning ascribed to that word in subsection 2.2 (4);

(32) "OFFER TO ACQUIRE" includes:

(i) an offer to purchase or a solicitation of an offer to sell Voting Shares, and

(ii) an acceptance of an offer to sell Voting Shares, whether or not such offer to sell has been solicited,

or any combination thereof, and the Person accepting an offer to sell shall be deemed to be making an Offer to Acquire to the Person that made the offer to sell;

(33) "OFFEROR" means a Person who has announced an intention to make or who has made a Take-over Bid;

(34) "OFFEROR'S SECURITIES" means Voting Shares Beneficially Owned by an Offeror on the date of the Offer to Acquire;

(35) "PERMITTED BID" means a Take-over Bid made by an Offeror which is made by way of a take-over bid circular and which also complies with the following additional provisions:

(i) the Take-over Bid is made for all outstanding Voting Shares to all holders of Voting Shares as registered on the books of the Corporation, other than the Offeror;

(ii) the Take-over Bid contains, and the take-up and payment for securities tendered or deposited are subject to, an irrevocable and unqualified condition that no Voting Shares shall be taken up and paid for by the Offeror (x) before the close of business on a date that is not less than 60 days following the date on which the takeover bid circular relating to such Take-over Bid is sent to the shareholders of

the Corporation and (y) unless on that date more than 50 per cent of the Voting Shares held by Independent Shareholders have been deposited or tendered pursuant to the Take-over Bid and not withdrawn;

(iii) the Take-over Bid contains an irrevocable and unqualified provision that Voting Shares may be deposited pursuant to such Take-over Bid (unless it is withdrawn) at any time during the period of time described in paragraph 1.1(35)(ii) and that any Voting Shares deposited pursuant to the Take-over Bid may be withdrawn until taken up and paid for; and

(iv) the Take-over Bid contains an irrevocable and unqualified provision that in the event that the deposit condition set forth in paragraph 1.1(35)(ii) is satisfied the Offeror will make a public announcement of that fact and the Take-over Bid will remain open for deposits and tenders of Voting Shares for not less than 10 Business Days from the date of such public announcement;

(36) "PERMITTED BID ACQUISITIONS" has the meaning ascribed thereto in paragraph 1.1(1)(ii)(B);

(37) "PERSON" means any individual, firm, partnership, association, trust, body corporate, corporation, unincorporated organization, syndicate, government entity, or other entity;

(38) "PRO RATA ACQUISITIONS" has the meaning ascribed thereto in paragraph 1.1(1)(ii)(E);

(39) "RECORD TIME" has the meaning set forth in the second recital, that is, paragraph 2 under the heading Whereas;

(40) "REDEMPTION PRICE" has the meaning set forth in subsection 5.1(1)

(41) "RIGHT" means a right to purchase a Common Share of the Corporation on the terms and subject to the conditions set forth in this Agreement;

(42) "RIGHTS AGENT" means The R-M Trust Company;

(43) "RIGHTS CERTIFICATE" means a certificate representing a Right after the Separation Time that is substantially in the form attached hereto as Attachment 1;

(44) "RIGHTS HOLDERS' SPECIAL MEETING" means a meeting of the holders of Rights called by the Board of Directors for the purpose of approving a supplement or amendment to this Agreement pursuant to subsection 5.4 (4);

(45) "RIGHTS REGISTER" has the meaning ascribed to that phrase in subsection 2.6(1);

(46) "SECURITIES ACT" (British Columbia) means the SECURITIES ACT, S.B.C. 1985, Chapter 85, as amended, and any regulations thereunder, and any successor laws or regulations;

(47) "SEPARATION TIME" means the close of business on the eighth Trading Day after the earlier of

(i) the Stock Acquisition Date; and

(ii) the date of commencement of or first public announcement of the intent of any Person (other than the Corporation or any Subsidiary of the Corporation) to commence a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid), or such later time as may be determined by the Board of Directors, except that if any Take-over Bid referred to in this subparagraph (ii) expires, is cancelled, terminated or otherwise withdrawn before the Separation Time, such Take-over Bid is deemed, for the purposes of this definition, not to have been made;

(48) "STOCK ACQUISITION DATE" means the first date of public announcement by the Corporation or an Acquiring Person that an Acquiring Person has become such;

(49) "SUBSIDIARY": a corporation is a Subsidiary of another corporation if

(i) it is controlled by:

(A) that other, or

(B) that other and one or more corporations each of which is controlled by that other, or

(C) two or more corporations each of which is controlled by that other, or

(ii) it is a Subsidiary of a corporation that is that other's Subsidiary;

(50) "TAKE-OVER BID" means an Offer to Acquire Voting Shares or securities convertible into Voting Shares if, assuming that the Voting Shares or convertible securities subject to the Offer to Acquire are acquired at the date of such Offer to Acquire by the Person making such Offer to Acquire, such Voting Shares (including Voting Shares that may be acquired upon conversion of securities convertible into Voting Shares) together with the Offeror's Securities, constitute in the aggregate 20 per cent or more of the outstanding Voting Shares at the date of the Offer to Acquire;

(51) "TRADING DAY", when used with respect to any securities, means a day when the principal Canadian stock exchange on which such securities are listed or admitted to trading is open for the transaction of business or, if the securities are not listed or admitted to trading on any Canadian stock exchange, a Business Day;

(52) "U.S.-CANADIAN EXCHANGE RATE" means, on any date,

(i) if on such date the Bank of Canada sets an average noon spot rate of exchange for the conversion of one United States dollar into Canadian dollars, such rate; and

(ii) in any other case, the rate for such date for the conversion of one United States dollar into Canadian dollars calculated in such manner as may be determined by the Board of Directors from time to time acting in good faith;

(53) "VOTING SHARES" means the Common Shares of the Corporation and any other shares in the capital of the Corporation entitled to vote generally in the election of all directors.

1.2 CURRENCY

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada, unless otherwise specified.

1.3 HEADINGS

The division of this Agreement into parts, sections, subsections, paragraphs, subparagraphs, clauses or other portions hereof and the insertion of headings, subheadings and a table of contents are for convenience of reference only and are not to affect the construction or interpretation of this Agreement.

1.4 CALCULATION OF NUMBER AND PERCENTAGE OF BENEFICIAL OWNERSHIP OF OUTSTANDING VOTING SHARES

For purposes of this Agreement, the percentage of Voting Shares Beneficially Owned by any Person is the product (expressed as a percentage) determined by the formula:

$$100 \times A/B$$

where:

A = the number of votes for the election of all directors generally attaching to the Voting Shares Beneficially Owned by such Person; and

B = the number of votes for the election of all directors generally attaching to all outstanding Voting Shares.

Where a Person is deemed to Beneficially Own unissued Voting Shares, such Voting Shares shall be deemed to be outstanding for the purpose of calculating the percentage of Voting Shares Beneficially Owned by such Person.

1.5 ACTING JOINTLY OR IN CONCERT

For purposes of this Agreement, whether Persons are acting jointly or in concert is a question of fact in each case, but a Person is deemed to be acting jointly or in concert with another Person if the Person would be deemed to be acting jointly or in concert with such other Person for purposes of section 78 of the SECURITIES ACT (British Columbia) as it exists at the Effective Date other than by virtue of the inclusion of the word "Associate" in section 78(1)(c) of the SECURITIES ACT (British Columbia). Notwithstanding the foregoing and for greater certainty, the phrase "acting jointly or in concert", whenever used in this Agreement, does not include conduct:

(i) unrelated to the Corporation; or

(ii) consisting solely of:

(A) voting or directing the vote of securities of the Corporation pursuant to a revocable proxy given in response to a public proxy solicitation;

(B) voting or directing the vote of securities of the Corporation in connection with or in order to participate in a public proxy solicitation made or to be made; or

(C) having an agreement, arrangement or understanding with respect to a particular shareholder proposal or a particular matter to come before a meeting of shareholders, including the election of directors.

1.6 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

Wherever in this Agreement reference is made to generally accepted accounting principles, that reference is to be the recommendations in force at the time of the reference made by the Canadian Institute of Chartered Accountants, or any successor institute. Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made for the purpose of this Agreement or any document, such determination or calculation must, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with generally accepted accounting principles applied on a consistent basis.

PART 2 - THE RIGHTS

2.1 LEGEND ON COMMON SHARE CERTIFICATES

Certificates representing Common Shares that are issued after the Record Time but before the earlier of the Separation Time and the Expiration Time also evidence one Right for each Common Share represented thereby and commencing as soon as reasonably practicable after the Record Time, must have impressed on, printed on, written on or otherwise affixed to them the following legend:

Until the Separation Time (defined in the Rights Agreement referred to below), this certificate evidences rights of the holder described in a Rights Agreement, dated April 24, 1996, as supplemented and amended (the "Rights Agreement"), between Golden Star Resources Ltd. (the "Corporation") and The R-M Trust Company, the terms of which are incorporated herein by reference and a copy of which is on file at the head office of the Corporation. Under certain circumstances set out in the Rights Agreement, the rights may expire, may become null and void or may be evidenced by separate certificates and no longer be evidenced by this certificate. The Corporation will mail or arrange for the mailing of a copy of the Rights Agreement to the holder of this certificate without charge as soon as practicable after the receipt of a written request therefor.

Certificates representing Common Shares that are issued and outstanding at the Record Time are deemed to evidence one Right for each Common Share evidenced thereby,

notwithstanding the absence of the foregoing legend, until the earlier of the Separation Time and the Expiration Time.

2.2 INITIAL EXERCISE PRICE: EXERCISE OF RIGHTS: DETACHMENT OF RIGHTS

(1) Subject to adjustment as herein set forth, each Right entitles the holder thereof, after the Separation Time and before the Expiration Time, to purchase one Common Share for the Exercise Price (and the Exercise Price and number of Common Shares are subject to adjustment as set forth below). Notwithstanding any other provision of this Agreement, any Rights held by the Corporation or any of its Subsidiaries are void.

(2) Until the Separation Time,

(i) the Rights are not exercisable and no Right may be exercised; and

(ii) each Right is evidenced by the certificate for the associated Common Share registered in the name of the holder thereof (which certificate is deemed to represent a Rights Certificate) and is transferable only together with and is transferred by any transfer of such associated Common Share.

(3) After the Separation Time and before the Expiration Time

(i) the Rights are exercisable; and

(ii) the registration and transfer of Rights are separate from and independent of Common Shares.

(4) Promptly following the Separation Time, the Corporation shall prepare and the Rights Agent shall mail to each holder of record of Common Shares as of the Separation Time (other than an Acquiring Person and, in respect of any Rights Beneficially Owned by such Acquiring Person, the holder of record of such Rights (a "Nominee")), at such holder's address as shown on the records of the Corporation (the Corporation hereby undertaking to furnish copies of such records to the Rights Agent for this purpose)

(i) a Rights Certificate appropriately completed, representing the number of Rights held by such holder at the Separation Time and having such marks of identification and such legends, summaries or endorsements printed thereon as the Corporation deems appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law, rule or regulation or with any rule or regulation of any self-regulatory organization, stock exchange or quotation system on which the Rights may from time to time be listed or traded, or to conform to usage; and

(ii) a disclosure statement describing the Rights.

(5) The Rights Agent shall send the materials referred to in subsection 2.2(4) in respect of all Common Shares held of record by it which are not Beneficially Owned by an Acquiring Person.

(6) Rights may be exercised, in whole or in part, on any Business Day after the Separation Time and prior to the Expiration Time by submitting to the Rights Agent

(i) a Rights Certificate evidencing such Rights;

(ii) an election to exercise such Rights (an "Election to Exercise") substantially in the form attached to the Rights Certificate, appropriately completed and executed by the holder or the holder's executors or administrators or other personal representatives or the holder's legal attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Rights Agent; and

(iii) payment by certified cheque, banker's draft or money order payable to the order of the Corporation, of a sum equal to the Exercise Price multiplied by the number of Rights being exercised and a sum sufficient to cover any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Common Shares in a name other than that of the holder of the Rights being exercised.

(7) Upon receipt of a Rights Certificate, together with a completed Election to Exercise executed in accordance with paragraph 2.2 (6)(ii), which indicates that such Right is not void as provided by subsection 3.1 (2), and payment as set forth in paragraph 2.2 (6)(iii), the Rights Agent (unless otherwise instructed by the Corporation in the event that the Corporation is of the opinion that the Rights cannot be exercised in accordance with this Agreement) shall promptly

(i) requisition from the transfer agent certificates representing the number of such Common Shares to be purchased (the Corporation hereby irrevocably authorizing its transfer agent to comply with all such requisitions);

(ii) when appropriate, requisition from the Corporation the amount of cash to be paid in lieu of issuing fractional Common Shares;

(iii) after receipt of the certificates referred to in paragraph 2.2

(7)(i), deliver the same to or upon the order of the registered holder of such Rights Certificates, registered in such name or names as may be designated by such holder; and

(iv) when appropriate, after receipt, deliver the cash referred to in paragraph 2.2 (7)(ii) to or to the order of the registered holder of such Rights Certificate.

(8) In case a holder of any Rights exercises fewer than all the Rights evidenced by the holder's Rights Certificate, the Rights Agent shall, subject to subsection 5.5 (1), issue to such holder or to such holder's duly authorized assigns a new Rights Certificate evidencing the Rights remaining unexercised.

(9) The Corporation shall

(i) take all such action as may be necessary and within its power to ensure that all Common Shares delivered upon exercise of Rights are, at the time of delivery of the certificates for such Common Shares (subject to payment of the Exercise Price), duly and validly authorized, executed, issued and delivered as fully paid and non-assessable;

(ii) take all such action as may be necessary and within its power to comply with the requirements of the CANADA BUSINESS CORPORATIONS ACT and the securities laws or comparable legislation of each of the provinces of Canada and any other applicable law, rule or regulation, in connection with the issuance and delivery of the Rights Certificates and the issuance of any Common Shares upon exercise of Rights;

(iii) use reasonable efforts to cause all Common Shares issued upon exercise of Rights to be listed on the stock exchanges on which such Common Shares were traded immediately before the Stock Acquisition Date;

(iv) pay when due and payable, if applicable, any and all federal, provincial and municipal transfer taxes and charges (not including any income or capital taxes of the holder or exercising holder or any liability of the Corporation to withhold tax) which may be payable in respect of the original issuance or delivery of the Rights Certificates, or certificates for Common Shares to be issued upon the exercise of any Rights, except that the Corporation is not required to pay any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Common Shares in a name other than that of the holder of the Rights being transferred or exercised; and

(v) after the Separation Time, except as permitted by section 5.1, not take (or permit any Subsidiary to take) any action if at the time such action is taken it is reasonably foreseeable that such action will diminish substantially or otherwise eliminate the benefits intended to be afforded by the Rights.

2.3 ADJUSTMENTS TO EXERCISE PRICE: NUMBER OF RIGHTS

The Exercise Price, the number and kind of securities subject to purchase upon exercise of each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this section 2.3.

(1) If at any time after the date of this Agreement the Corporation

(i) declares or pays a dividend on Common Shares payable in Common Shares (or other securities exchangeable for or convertible into or giving a right to acquire Common Shares or other securities of the Corporation) other than pursuant to any optional stock dividend program;

(ii) subdivides or changes the then outstanding Common Shares into a greater number of Common Shares;

(iii) consolidates or changes the then outstanding Common Shares into a smaller number of Common Shares; or

(iv) issues any Common Shares (or other securities exchangeable for or convertible into or giving a right to acquire Common Shares or other securities of the Corporation) in respect of or in exchange for existing Common Shares except as otherwise provided in this section 2.3,

the Exercise Price and the number of Rights outstanding, or, if the payment or effective date therefor shall occur after the Separation Time, the securities purchasable upon exercise of Rights shall be adjusted as of the payment or effective date in the manner set forth below. If the Exercise Price and number of Rights outstanding are to be adjusted,

(v) the Exercise Price in effect after the adjustment must be equal to the Exercise Price in effect immediately before the adjustment divided by the number of Common Shares (or other capital stock) (the "Expansion Factor") that a holder of one Common Share immediately prior to any dividend, subdivision, change, consolidation or issuance would hold as a result thereof; and

(vi) each Right held before such adjustment becomes that number of Rights equal to the Expansion Factor,

and the adjusted number of Rights are deemed to be distributed among the Common Shares with respect to which the original Rights were associated (if they remain outstanding) and the shares issued in respect of such dividend, subdivision, change, consolidation or issuance, so that each such Common Share (or other capital stock) has one Right associated with it.

For greater certainty, if the securities purchasable upon exercise of Rights are to be adjusted, the securities purchasable upon exercise of each Right after such adjustment will be the securities that a holder of the securities purchasable upon exercise of one Right immediately prior to such dividend, subdivision, change, consolidation or issuance would hold thereafter as a result of such dividend, subdivision, change, consolidation or issuance.

If after the Record Time and before the Expiration Time the Corporation issues any shares other than Common Shares in a transaction of a type described in paragraph 2.3 (1)(i) or (iv), shares of such capital stock shall be treated herein as nearly equivalent to Common Shares as may be practicable and appropriate under the circumstances and the Corporation and the Rights Agent agree to amend this Agreement in order to effect such treatment.

If at any time after the Record Time and before the Separation Time the Corporation issues any Common Shares otherwise than in a transaction referred to in subsections 2.3(1) to (5), each such Common Share so issued shall automatically have one new Right associated with it, which Right must be evidenced by the certificate representing such associated Common Share.

(2) If at any time after the Record Time and before the Separation Time the Corporation fixes a record date for the issuance of rights, options or warrants to all holders of Common Shares entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Common Shares (or securities convertible into or exchangeable for or carrying a right to purchase Common Shares) at a price per Common Share (or, if a security convertible into or exchangeable for or carrying a right to purchase or subscribe for Common Shares, having a conversion, exchange or exercise price, including the price required to be paid to purchase such convertible or exchangeable security or right per share) less than the Market Price per Common Share on such record date, the Exercise Price in effect after such record date must be determined by multiplying the Exercise Price in effect immediately before such record date by a fraction

(i) the numerator of which is the number of Common Shares outstanding on such record date plus the number of Common Shares that the aggregate offering price of the total number of Common Shares so offered (and the aggregate initial conversion, exchange or exercise price of the convertible or exchangeable securities or rights so to be offered, including the price required to be paid to purchase such convertible or exchangeable securities or rights) would purchase at such Market Price per Common Share; and

(ii) the denominator of which is the number of Common Shares outstanding on such record date plus the number of additional Common Shares to be offered for subscription or purchase (or into which the convertible or exchangeable securities or rights so to be offered are initially convertible, exchangeable or exercisable).

In case such subscription price is to be paid by delivery of consideration, part or all of which may be in a form other than cash, the value of such consideration must be as determined in good faith by the Board of Directors, whose determination must be described in a statement filed with the Rights Agent and is binding on the Rights Agent and the holders of Rights. Such adjustment shall be made successively whenever such a record date is fixed, and where such rights, options or warrants are not so issued, or if issued, are not exercised prior to the expiration thereof, the Exercise Price must be readjusted to the Exercise Price that would then be in effect if such record date had not been fixed, or to the Exercise Price which would be in effect based upon the number of Common Shares (or securities convertible into, or exchangeable or exercisable for Common Shares) actually issued upon the exercise of such rights, options or warrants, as the case may be.

For the purposes of this Agreement, the granting of the right to purchase Common Shares (whether from treasury or otherwise) pursuant to a regular dividend reinvestment plan made available by the Corporation to the holders of the shares of the Corporation, any employee benefit, stock option or similar plan is deemed not to constitute an issue of rights, options or warrants by the Corporation, if in all such cases the right to purchase Common Shares is at a price per share not less than 95 per cent of the current Market Price (determined as provided in such plans) of the Common Shares.

(3) If at any time after the Record Time and before the Separation Time the Corporation fixes a record date for the making of a distribution to all holders of Common Shares (including any such distribution made in connection with a merger or amalgamation) of evidences of indebtedness, cash (other than an annual cash dividend or a dividend paid in Common Shares, but including any dividend payable in securities other than Common Shares), assets or rights, options or warrants (excluding those referred to in subsection 2.3 (2) hereof), the Exercise Price in effect after such record date must be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction

(i) the numerator of which is the Market Price per Common Share on such record date less the fair market value (as determined in good faith by the Board of Directors, whose determination must be described in a statement filed with the Rights Agent and is binding on the Rights Agent and the holders of Rights) on a per share basis of the portion of the cash, assets, evidences of indebtedness, rights, options or warrants so to be distributed; and

(ii) the denominator of which is such Market Price per Common Share.

Such adjustments shall be made successively whenever such a record date is fixed, and in the event that such a distribution is not so made, the Exercise Price shall be adjusted to be the Exercise Price which would have been in effect if such record date had not been fixed.

(4) Notwithstanding anything herein to the contrary, no adjustment in the Exercise Price is required unless such adjustment would require an increase or decrease of at least one per cent in the Exercise Price, except that any adjustments which by reason of this subsection 2.3 (4) are not required to be made must be carried forward and taken into account in any subsequent adjustment. All calculations under this section 2.3 must be made to the nearest cent or to the nearest ten-thousandth of a share. Notwithstanding the first sentence of this subsection 2.3 (4), any adjustment required by section 2.3 shall be made no later than the earlier of

(i) three years from the date of the transaction which gives rise to such adjustment; and

(ii) the Expiration Date.

(5) Where at any time after the Record Time and before the Separation Time the Corporation issues any shares of capital stock (other than Common Shares) or rights, options or warrants to subscribe for or purchase any such capital stock or securities convertible into or exchangeable for any such capital stock in a transaction referred to in subparagraphs 2.3 (1)(i) or

(iv) above, if the Board of Directors acting in good faith determines that the adjustments contemplated by subsections 2.3 (1) to (3) above in connection with such transaction will not appropriately protect the interests of the holders of Rights, the Board of Directors may determine what other adjustments to the Exercise Price, number of Rights or any securities purchasable upon exercise of Rights would be appropriate and,

notwithstanding subsections 2.3 (1) to (3) above, such adjustments, rather than the adjustments contemplated by subsections 2.3 (1) to (3) above, shall be made. The Corporation and the Rights Agent shall have authority without the approval of the holders of the Common Shares or the holders of Rights to amend this Agreement as appropriate to provide for such adjustments.

(6) Each Right originally issued by the Corporation after any adjustment made to the Exercise Price hereunder evidences the right to purchase, at the adjusted Exercise Price, the number of Common Shares purchasable from time to time hereunder upon exercise of a Right immediately before such issue, all subject to further adjustment as provided herein.

(7) Notwithstanding any adjustment or change in the Exercise Price or the number of Common Shares issuable upon the exercise of the Rights, the Rights Certificates theretofore and thereafter issued can continue to express the Exercise Price per Common Share and the number of Common Shares that were expressed in the initial Rights Certificates issued hereunder.

(8) In any case in which this section 2.3 requires that an adjustment in the Exercise Price be made effective as of a record date for a specified event, the Corporation may elect to defer, until the occurrence of such event, the issuance to the holder of any Rights exercised after such record date the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise over and above the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise on the basis of the Exercise Price in effect prior to such adjustment; but the Corporation shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional shares (fractional or otherwise) or other securities upon the occurrence of the event requiring such adjustment.

(9) Notwithstanding anything contained in this section 2.3 to the contrary, the Corporation has the right to make such reductions in the Exercise Price, in addition to those adjustments expressly required by this section 2.3, as and to the extent that in their good faith judgment the members of the Board of Directors determine to be advisable, in order that any

(i) consolidation or subdivision of Common Shares;

(ii) issuance (wholly or in part for cash) of Common Shares or securities that by their terms are convertible into or exchangeable for Common Shares;

(iii) stock dividends; or

(iv) issuance of rights, options or warrants referred to in this section 2.3,

hereafter made by the Corporation to holders of its Common Shares are not taxable to such shareholders.

(10) If an event occurs which would require an adjustment under both this Section 2.3 and Section 3.1, the adjustment provided for in this Section 2.3 shall be in addition to and shall be made prior to, any adjustment required pursuant to section 3.1.

2.4 DATE ON WHICH EXERCISE IS EFFECTIVE

Each Person in whose name any certificate for Common Shares or any other securities is issued upon the exercise of Rights is deemed for all purposes to be the holder of record of the Common Shares or such other securities represented thereon, and such certificate must bear the date upon which the Rights Certificate evidencing such Rights was duly surrendered in accordance with subsection 2.2 (6) (together with a duly completed Election to Exercise) and payment of the Exercise Price for such Rights (and any applicable transfer taxes and other governmental charges payable by the exercising holder hereunder) was made, except that if the date of such surrender and payment is a date upon which the Common Share transfer books of the Corporation are closed, such Person is deemed to be the holder of record of such shares on, and such certificate shall be dated, the next succeeding Business Day on which the Common Share transfer books of the Corporation are open.

2.5 EXECUTION, AUTHENTICATION, DELIVERY AND DATING OF RIGHTS CERTIFICATES

(1) The Rights Certificates must be executed on behalf of the Corporation by its Chairman of the Board, President or any Vice President and by another Vice President, its Secretary or any Assistant Secretary under the corporate seal of the Corporation reproduced thereon. The signature of any of these officers on the Rights Certificates may be manual or facsimile. Rights Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Corporation bind the Corporation, notwithstanding that any such individual has ceased to hold such offices either before or after the countersignature and delivery of such Rights Certificates.

(2) Promptly after the Corporation learns of the Separation Time, the Corporation shall notify the Rights Agent of such Separation Time and shall deliver Rights Certificates executed by the Corporation to the Rights Agent for countersignature, and the Rights Agent shall manually countersign (in a manner satisfactory to the Corporation) and send such Rights Certificates to the holders of the Rights pursuant to section 2.2 (4) hereof. No Rights Certificate is valid for any purpose until countersigned by the Rights Agent as aforesaid.

(3) Each Rights Certificate must be dated the date of countersignature thereof.

2.6 REGISTRATION, TRANSFER AND EXCHANGE

(1) The Corporation shall cause to be kept a register (the "Rights Register") in which, subject to such reasonable regulations as it may prescribe, the Corporation will provide for the registration and transfer of Rights. The Rights Agent is hereby appointed registrar for the Rights for the purpose of maintaining the Rights Register for the Corporation and registering Rights and transfers of Rights as herein provided and the Rights Agent hereby accepts such appointment. If the Rights Agent ceases to be the Rights Registrar, the

Rights Agent continues to have the right to examine the Rights Register at all reasonable times.

After the Separation Time and before the Expiration Time, upon surrender for registration of transfer or exchange of any Rights Certificate, and subject to the provisions of subsection 2.6 (3), the Corporation shall execute, and the Rights Agent shall manually countersign and deliver, in the name of the holder or the designated transferee or transferees as required pursuant to the holder's instructions, one or more new Rights Certificates evidencing the same aggregate number of Rights as did the Rights Certificates so surrendered.

(2) Each Right issued upon any registration of transfer or exchange of any Rights Certificates is a valid obligation of the Corporation, and such Rights are entitled to the same benefits under this Agreement as the Rights surrendered upon such registration of transfer or exchange.

(3) Each Rights Certificate surrendered for registration of transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer in form satisfactory to the Corporation or the Rights Agent, as the case may be, duly executed by the holder thereof or such holder's attorney duly authorized in writing. As a condition to the issuance of any new Rights Certificate under this section 2.6, the Corporation may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the reasonable fees and expenses of the Rights Agent) connected therewith.

2.7 MUTILATED, DESTROYED, LOST AND STOLEN RIGHTS CERTIFICATES

(1) If a mutilated Rights Certificate is surrendered to the Rights Agent before the Expiration Time, the Corporation shall execute and the Rights Agent shall countersign and deliver in exchange therefor a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so surrendered.

(2) If any person delivers to the Corporation and the Rights Agent before the Expiration Time

(i) evidence to their reasonable satisfaction of the destruction, loss or theft of a Rights Certificate; and

(ii) such security or indemnity as may be reasonably required by them to save each of them and any of their agents harmless, and if neither the Corporation nor the Rights Agent has received notice that such Rights Certificate has been acquired by a bona fide purchaser, the Corporation shall execute and upon the Corporation's request the Rights Agent shall countersign and deliver, in lieu of any such destroyed, lost or stolen Rights Certificate, a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so destroyed, lost or stolen.

(3) As a condition to the issuance of any new Rights Certificate under this section 2.7, the Corporation may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the reasonable fees and expenses of the Rights Agent) connected therewith.

(4) Every new Rights Certificate issued pursuant to this section 2.7 in lieu of any destroyed, lost or stolen Rights Certificate evidences the contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Rights Certificate is at any time enforceable by anyone, and its holder is entitled to all the benefits of this Agreement equally and proportionately with all other Rights duly issued hereunder.

2.8 PERSONS DEEMED OWNERS OF RIGHTS

The Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent may presume that the Person in whose name a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby for all purposes. As used in this Agreement, unless the context otherwise requires, the term "holder" of any Right means the registered holder of such Right (or, prior to the Separation Time, the registered holder of the associated Common Share).

2.9 DELIVERY AND CANCELLATION OF CERTIFICATES

All Rights Certificates surrendered upon exercise or for redemption, registration of transfer or exchange must, if surrendered to any Person other than the Rights Agent, be delivered to the Rights Agent and, in any case, must be promptly canceled by the Rights Agent. The Corporation may at any time deliver to the Rights Agent for cancellation any Rights Certificates previously countersigned and delivered hereunder which the Corporation has acquired in any manner, and the Rights Agent shall promptly cancel all Rights Certificates so delivered. No Rights Certificate is to be countersigned in lieu of or in exchange for any Rights Certificates cancelled as provided in this section 2.9, except as expressly permitted by this Agreement. The Rights Agent shall, subject to applicable laws, destroy all canceled Rights Certificates and deliver a certificate of destruction to the Corporation.

2.10 AGREEMENT OF RIGHTS HOLDERS

Every holder of Rights, by accepting the same, consents and agrees with the Corporation and the Rights Agent and with every other holder of Rights

(1) that the holder is bound by and subject to the provisions of this Agreement as amended from time to time in accordance with the terms hereof in respect of all Rights held;

(2) that before the Separation Time, each Right is transferable only together with and is to be transferred by a transfer of the associated Common Share certificate representing such Right;

(3) that after the Separation Time, the Rights Certificate is transferable only on the Rights Register as provided herein;

(4) that before due presentment of a Rights Certificate (or before the Separation Time, the associated Common Share certificate) for registration of transfer, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent may presume that the Person in whose name the Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on such Rights Certificate or the associated Common Share certificate made by anyone other than the Corporation or the Rights Agent) for all purposes, and neither the Corporation nor the Rights Agent is affected by any notice to the contrary;

(5) that each holder of Rights has waived any right to receive any fractional Rights or any fractional shares or other -securities upon exercise of a Right (except as provided herein); and

(6) that without the approval of any holder of Rights or Voting Shares and upon the sole authority of the Board of Directors, this Agreement may be supplemented or amended from time to time as provided herein.

2.11 RIGHTS CERTIFICATE HOLDER DEEMED NOT A SHAREHOLDER

No holder of any Rights or Rights Certificate is entitled, as such holder, to vote, receive dividends or be considered for any purpose the holder of any Common Share or any other share or security of the Corporation which may at any time be issuable on the exercise of the Rights represented thereby, and nothing contained herein or in any Rights Certificate is to be construed as conferring upon the holder of any Right or Rights Certificate, as such, any right of a holder of Common Shares or any other shares or securities of the Corporation or any right to vote at any meeting of shareholders of the Corporation whether for the election of directors or otherwise or upon any matter submitted to holders of Common Shares or any other shares of the Corporation at any meeting thereof, or to give or withhold consent to any action of the Corporation or to receive notice of any meeting or other action affecting any holder of Common Shares or any other shares of the Corporation except as expressly provided herein, or to receive dividends, distributions or subscription rights, or otherwise, until the Right or Rights evidenced by Rights Certificates have been duly exercised in accordance with the terms and provisions hereof.

PART 3 - ADJUSTMENTS TO THE RIGHTS IN THE EVENT OF CERTAIN TRANSACTIONS

3.1 FLIP-IN EVENT

(1) Subject to subsection 3.1 (2) and section 5.1, if before the Expiration Time a Flip-in Event occurs, each Right constitutes, effective at the close of business on the eighth Trading Day after the Stock Acquisition Date, the right to purchase from the Corporation, upon exercise thereof in accordance with the terms hereof, the number of Common Shares having an aggregate Market Price on the date of occurrence of such Flip-in Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such right to be appropriately adjusted in a manner analogous to the applicable adjustment

provided for in section 2.3 if after the occurrence, an event of a type analogous to any of the events described in section 2.3 has occurred).

(2) Notwithstanding anything in this Agreement to the contrary, upon the occurrence of any Flip-in Event, any Rights that are Beneficially Owned on or after the earlier of the Separation Time and the Stock Acquisition Date by

(i) an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of an Acquiring Person); or

(ii) a transferee of Rights, directly or indirectly, from an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of an Acquiring Person), where such transferee becomes a transferee concurrently with or subsequent to the Acquiring Person becoming such in a transfer that the Board of Directors has determined is part of a plan of an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of an Acquiring Person), that has the purpose or effect of avoiding paragraph 3.1 (2)(ii),

become void without any further action, and any holder of such Rights (including transferees) thereafter has no right with respect to such Rights, including any rights to exercise them under any provision of this Agreement.

(3) From and after the Separation Time, the Corporation shall do all such acts and things necessary and within its power to ensure compliance with the provisions of section 3.1, including without limitation, all such acts and things as may be required to satisfy the requirements of the CANADA BUSINESS CORPORATIONS ACT, the SECURITIES ACT (British Columbia) and the securities laws or comparable legislation in each of the provinces of Canada and in the United States of America in respect of the issue of Common Shares upon the exercise of Rights in accordance with this Agreement.

(4) Any Rights Certificate that represents Rights Beneficially Owned by a Person described in either paragraph 3.1 (2)(i) or (ii) or transferred to any nominee of any such Person, and any Rights Certificate issued upon transfer, exchange, replacement or adjustment of any other Rights Certificate referred to in this sentence, shall contain the following legend:

The Rights represented by this Rights Certificate were issued to a Person who was an Acquiring Person or an Affiliate or an Associate of an Acquiring Person (as such terms are defined in the Rights Agreement) or a Person who was acting jointly or in concert with an Acquiring person or an Affiliate or Associate of an Acquiring Person. This Rights Certificate and the Rights represented hereby are void or become void in the circumstances specified in subsection 3.1(2) of the Rights Agreement.

but the Rights Agent has no obligation to ascertain the existence of facts that would require the imposition of such legend and shall impose such legend only if instructed to

do so by the Corporation in writing or if a holder fails to certify upon transfer or exchange in the space provided on the Rights Certificate that such holder is not a Person described in such legend.

3.2 EXCHANGE OPTION

(1) The Board of Directors may, at its option, at any time after a Flip-in Event, authorize the Corporation to issue or deliver in respect of each Right which is not void pursuant to subsection 3.1(2) hereof in return for the Right and without further charge, cash or equity securities (or a combination thereof) having a value equal to the Exercise Price, in full and final settlement of all rights attaching to the Rights, where in either case the value of such equity securities shall be determined by duly qualified financial advisors. To the extent that the Board of Directors determines in good faith that some action need be taken pursuant to this section 3.2, the Board of Directors may suspend the exercisability of the Rights for a period of up to 10 days following the date of the occurrence of the relevant Flip-in Event. In the event of any such suspension, the Corporation shall notify the Rights Agent and issue as promptly as practicable a public announcement stating that the exercisability of the Rights has been temporarily suspended.

(2) If the Board of Directors authorizes the exchange of equity securities or cash (or a combination thereof) for Rights pursuant to subsection 3.2(1) above, without any further action or notice the right to exercise the Rights will terminate and the only right thereafter of a holder of Rights shall be to receive such equity securities or cash (or a combination thereof) in accordance with the exchange formula. Within 10 Business Days after the authorization of the exchange pursuant to subsection 3.2(1) above, the Corporation shall give notice of such exchange to the holders of such Rights by mailing such notice to all such holders at their last addresses as they appear upon the register of Rights holders maintained by the Rights Agent. Each such notice of exchange will state the method by which the exchange will be effected.

(3) Any issue of treasury securities of the Corporation (other than Common Shares or debt securities not convertible into equity securities) pursuant to this Section 3.2 shall require the prior written consent of The Toronto Stock Exchange.

PART 4 - THE RIGHTS AGENT

4.1 GENERAL

(1) The Corporation hereby appoints the Rights Agent to act as agent for the Corporation and the holders of the Rights in accordance with the terms and conditions hereof, and the Rights Agent hereby accepts such appointment. The Corporation may from time to time appoint such co-Rights Agents ("Co-Rights Agents") as it thinks necessary or desirable. If the Corporation appoints one or more Co-Rights Agents, the respective duties of the Rights Agent and Co-Rights Agents are as the Corporation may determine. The Corporation undertakes to indemnify the Rights Agent for, and to hold it harmless against, any loss, liability, or expense, incurred without negligence, bad faith or wilful misconduct on the part of the Rights Agent, for anything done or omitted by the Rights

Agent in connection with the acceptance and administration of this Agreement, including the costs and expenses of defending against any claim of liability, which right to indemnification will survive the termination of this Agreement.

(2) The Rights Agent shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted by it in connection with its administration of this Agreement in reliance upon any certificate for Common Shares, Rights Certificate, certificate for other securities of the Corporation, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged by the proper Person or Persons.

4.2 MERGER, AMALGAMATION, CONSOLIDATION OR CHANGE OF NAME OF RIGHTS AGENT

(1) Any corporation into which the Rights Agent may be amalgamated or any corporation resulting from any amalgamation or statutory arrangement to which the Rights Agent is a party, or any corporation succeeding to the shareholder or stockholder services business of the Rights Agent, will be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, if such corporation would be eligible for appointment as a successor Rights Agent under the provisions of section 4.4 hereof. In case at the time such successor Rights Agent succeeds to the agency created by this Agreement any of the Rights Certificates have been countersigned but not delivered, any successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Rights Certificates so countersigned; and in case at that time any of the Rights have not been countersigned, any successor Rights Agent may countersign such Rights Certificates in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Rights Certificates are valid and have the full force provided in the Rights Certificates and in this Agreement.

(2) In case at any time the name of the Rights Agent is changed and at such time any of the Rights Certificates have been countersigned but not delivered the Rights Agent may adopt the countersignature under its prior name and deliver Rights Certificates so countersigned; and in case at that time any of the Rights Certificates have not been countersigned, the Rights Agent may countersign such Rights Certificates either in its prior name or in its changed name; and in all such cases such Rights Certificates are valid and have the full force provided in the Rights Certificates and in this Agreement.

4.3 DUTIES OF RIGHTS AGENT

The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, all of which the Corporation and the holders of certificates for Common Shares and Rights Certificates, by their acceptance thereof, are bound:

(1) The Rights Agent may consult with legal counsel (who may be legal counsel for the Corporation) and the opinion of such counsel is full and complete authorization and

protection to the Rights Agent as to any action taken or omitted by it in good faith and in accordance with such opinion;

(2) Whenever in the performance of its duties under this Agreement, the Rights Agent thinks it necessary or desirable that any fact be proved or established by the Corporation prior to taking or suffering any action hereunder, such fact (unless other evidence in respect thereof be herein specifically prescribed) is conclusively proved by a certificate signed by a Person believed by the Rights Agent to be the Chairman of the Board, President, any Vice President, Treasurer, Secretary, or any Assistant Secretary of the Corporation and delivered to the Rights Agent; and such certificate is full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate;

(3) The Rights Agent will be liable hereunder for its own negligence, bad faith or wilful misconduct;

(4) The Rights Agent will not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the certificates for Common Shares or the Rights Certificates (except its countersignature thereof) or be required to verify the same, and all such statements and recitals are deemed made by the Corporation only;

(5) The Rights Agent is not responsible for the validity of this Agreement or the execution and delivery hereof (except the due authorization, execution and delivery hereof by the Rights Agent) or in respect of the validity or execution of any certificate for a Common Share or Rights Certificate (except its countersignature thereof); it is not responsible for any breach by the Corporation of any covenant or condition contained in this Agreement or in any Rights Certificate; it is not responsible for any change in the exercisability of the Rights (including the Rights becoming void pursuant to subsection 3.1(2) hereof) or any adjustment required under the provisions of section 2.3 hereof or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights after receipt of the certificate contemplated by section 2.3 describing any such adjustment); and does not represent or warrant the authorization of any Common Shares to be issued pursuant to this Agreement or any Rights or as to whether any Common Shares will, when issued, be duly and validly authorized, executed, issued and delivered and fully paid and non-assessable;

(6) The Corporation undertakes to perform execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all further and other acts, instruments and assurances as the Rights Agent may reasonably require to perform its duties under this Agreement;

(7) The Rights Agent is hereby authorized and directed to accept instructions in writing with respect to the performance of its duties hereunder from any individual believed by the Rights Agent to be the Chairman of the Board, President, any Vice President, Treasurer or Secretary of the Corporation, and to apply to such individuals for advice or

instructions in connection with its duties, and it is not liable for any action taken or suffered by it in good faith in accordance with instructions of any such individual;

(8) The Rights Agent and any shareholder or stockholder, director, officer or employee of the Rights Agent may buy, sell or deal in Common Shares, Rights or other securities of the Corporation or become pecuniarily interested in any transaction in which the Corporation may be interested, or contract with or lend money to the Corporation or otherwise act as fully and freely as though it were not Rights Agent under this Agreement. Nothing herein precludes the Rights Agent from acting in any other capacity for the Corporation or for any other legal entity; and

(9) The Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Rights Agent is not responsible or accountable for any act, default, neglect or misconduct of any such attorneys or agents or for any loss to the Corporation resulting from any such act, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof.

4.4 CHANGE OF RIGHTS AGENT

The Rights Agent may resign and be discharged from its duties under this Agreement upon 90 days' notice (or such lesser notice as is acceptable to the Corporation) in writing mailed to the Corporation and to each transfer agent of Common Shares by registered or certified mail. The Corporation may remove the Rights Agent upon 30 days' notice in writing, mailed to the Rights Agent and to each transfer agent of the Common Shares by registered or certified mail. If the Rights Agent should resign or be removed or otherwise become incapable of acting, the Corporation will appoint a successor to the Rights Agent. If the Corporation fails to make such appointment within a period of 30 days after such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent, then by prior written notice to the Corporation the resigning Rights Agent or the holder of any Rights (which holder shall, with such notice, submit such holder's Rights Certificate, if any, for inspection by the Corporation), may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent, whether appointed by the Corporation or by such a court must be a corporation incorporated under the laws of Canada or a province thereof authorized to carry on the business of a trust company in the Province of British Columbia. After appointment, the successor Rights Agent is vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Corporation shall file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Common Shares, and mail a notice thereof in writing to the holders of the Rights in accordance with section 5.9. Failure to give any notice provided for in this section 4.4, however, or any defect therein, does not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of any successor Rights Agent, as the case may be.

PART 5 - MISCELLANEOUS

5.1 REDEMPTION AND WAIVER

(1) The Board of Directors may, at its option, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.00001 per Right appropriately adjusted in a manner analogous to the applicable adjustment provided for in section 2.3 if an event of the type analogous to any of the events described in section 2.3 shall have occurred (such redemption price being herein referred to as the "Redemption Price"). The redemption of the Rights by the Board of Directors may be made effective at such time, on such basis and with such conditions as the Board of Directors in its sole discretion may establish.

(2) The Board of Directors may waive the application of section 3.1 in respect of the occurrence of any Flip-in Event if the Board of Directors has determined within eight Trading Days following a Stock Acquisition Date that a Person became an Acquiring Person by inadvertence and without any intention to become, or knowledge that it would become, an Acquiring Person under this Agreement and if such a waiver is granted by the Board of Directors, such Stock Acquisition Date is deemed not to have occurred. Any such waiver pursuant to this subsection 5.1 (2) must be on the condition that such Person has, within 10 days after the foregoing determination by the Board of Directors or such earlier or later date as the Board of Directors may determine (the "Disposition Date"), reduced its Beneficial Ownership of Voting Shares such that the Person is no longer an Acquiring Person. If the Person remains an Acquiring Person at the close of business on the Disposition Date, the Disposition Date is deemed to be the date of occurrence of a further Stock Acquisition Date and section 3.1 applies thereto.

(3) If before the occurrence of a Flip-in Event a Person acquires, pursuant to a Permitted Bid, a Competing Permitted Bid or an Exempt Acquisition occurring under Section 5.1(4), outstanding Voting Shares other than Voting Shares Beneficially Owned at the date of the Permitted Bid, the Competing Permitted Bid or the Exempt Acquisition by such Person, the Board of Directors of the Corporation shall, immediately upon such acquisition and without further formality be deemed to have elected to redeem the Rights at the Redemption Price.

(4) The Board of Directors may, until a Flip-in Event shall occur, upon written notice delivered to the Rights Agent, determine to waive the application of Section 3.1 to such particular Flip-in Event; provided that if the Board of Directors waives the application of Section 3.1 to a particular Flip-in Event, the Board of Directors shall be deemed to have waived the application of Section 3.1 to any other Flip-in Event occurring by reason of any Take-over Bid which is made by means of a take-over bid circular (i) prior to the granting of such a waiver, or (ii) thereafter and prior to the expiry of any Take-over Bid (as the same may be extended from time to time) outstanding at the time of the granting of such waiver, or (iii) thereafter and prior to the expiry of any Take-over Bid in respect of which a waiver is, or is deemed to have been, granted under this subsection 5.1(4).

(5) If the Board of Directors elects or is deemed to elect, to redeem the Rights, the right to exercise the Rights will thereupon, without further action and without notice, terminate and the only right thereafter of the holders of Rights is to receive the Redemption Price.

(6) Within 10 days after the Board of Directors elects or is deemed to elect, to redeem the Rights, the Corporation shall give notice of redemption to the holders of the then outstanding Rights by mailing such notice to each such holder at the holder's last address as it appears upon the registry books of the Rights Agent or, before the Separation Time, on the registry books of the transfer agent for the Voting Shares. Any notice that is mailed in the manner herein provided is deemed given, whether or not the holder receives the notice. Each such notice of redemption must state how the Redemption Price will be paid.

5.2 EXPIRATION

No Person has any rights under this Agreement or in respect of any Right after the Expiration Time, except the Rights Agent as specified in subsection

4.1 (1) of this Agreement.

5.3 ISSUANCE OF NEW RIGHTS CERTIFICATES

Notwithstanding any of the provisions of this Agreement or of the Rights, the Corporation may, at its option, issue new Rights Certificates evidencing Rights in such form as may be approved by the Board of Directors to reflect any adjustment or change in the number or kind or class of securities purchasable upon exercise of Rights made in accordance with the provisions of this Agreement.

5.4 SUPPLEMENTS AND AMENDMENTS

(1) At any time, the Corporation may, by resolution of the Board of Directors, amend this Agreement to correct any clerical or typographical error or maintain the validity of this Agreement as the result of any change in any applicable legislation or regulations thereunder. Any amendments made by the Corporation to this Agreement pursuant to this subsection 5.4(1) which are required to maintain the validity of this Agreement as a result of any change in any applicable legislation or regulation thereunder shall:

(i) if made before the Separation Time, be submitted to the shareholders of the Corporation at the next meeting of shareholders and the shareholders may, by the majority referred to in subsection 5.4(3) confirm or reject such amendment;

(ii) if made after the Separation Time, be submitted to the holders of Rights at a meeting to be called for on a date not later than immediately following the next meeting of shareholders of the Corporation and the holders of Rights may, by resolution passed by the majority referred to in subsection 5.4(4) confirm or reject such amendment.

Any such amendment shall be effective from the date of the resolution of the Board of Directors adopting such amendment, until it is confirmed or rejected or until it ceases to be effective (as described in the next sentence) and, where such amendment is confirmed,

it continues in effect in the form so confirmed. If such amendment is rejected by the shareholders or the holders of Rights or is not submitted to the shareholders or holders of Rights as required, then such amendment shall cease to be effective from and after the termination of the meeting at which it was rejected or to which it should have been but was not submitted or from and after the date of the meeting of holders of Rights that should have been but was not held, and no subsequent resolution of the Board of Directors to amend this Agreement to substantially the same effect shall be effective until confirmed by the shareholders or holders of Rights as the case may be.

(2) Prior to the shareholders' meeting referred to in section 5.15, the Corporation may, by resolution of the Board of Directors, supplement or amend this Agreement without the approval of any holders of Rights or Voting Shares in order to make any changes which the Board of Directors acting in good faith may deem necessary or desirable.

(3) Prior to the Separation Time, the Corporation may, by resolution of the Board of Directors, and with the prior consent of the holders of Voting Shares obtained as set forth below, supplement or amend this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Such consent is deemed to have been given if the supplement or amendment is approved by the affirmative vote of a majority of the votes cast by Independent Shareholders represented in person or by proxy and entitled to be voted at a meeting of the holders of Voting Shares duly called and held in compliance with applicable laws and the articles and bylaws of the Corporation.

(4) After the Separation Time, the Corporation may, by resolution of the Board of Directors, and with the prior consent of the holders of Rights obtained as set forth below, supplement or amend this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Such consent is deemed to have been given if provided by the holders of Rights at a Rights Holders' Special Meeting, which Rights Holders' Special Meeting is called and held in compliance with applicable laws and regulatory requirements and, to the extent possible, with the requirements in the articles and bylaws of the Corporation applicable to meetings of holders of Voting Shares varied as the Corporation thinks appropriate. Subject to compliance with any requirements imposed by the foregoing, consent is given if the proposed supplement or amendment is approved by the affirmative vote of a majority of the votes cast by holders of Rights (other than holders of Rights whose Rights have become void pursuant to subsection 3.1 (2)), represented in person or by proxy at the Rights Holders' Special Meeting.

(5) Notwithstanding anything in this section 5.4 to the contrary, no such supplement or amendment shall be made to the provisions of Part 4 except with the written concurrence of the Rights Agent to such supplement or amendment.

(6) Any supplement to or amendment of this Agreement shall require the prior written consent of The Toronto Stock Exchange.

5.5 FRACTIONAL RIGHTS AND FRACTIONAL SHARES

(1) The Corporation has no obligation to issue fractions of Rights or to distribute Rights Certificates which evidence fractional Rights or to pay any amount to a holder of record of Rights Certificates in lieu of such fractional Rights.

(2) The Corporation has no obligation to issue fractions of Common Shares upon exercise of Rights or to distribute certificates which evidence fractional Common Shares. In lieu of issuing fractions of Common Shares, the Corporation shall pay to the registered holders of Rights Certificates, at the time such Rights are exercised as herein provided, an amount in cash equal to the fraction of the Market Price of one Common Share that the fraction of a Common Share that would otherwise be issuable upon the exercise of such Right is of one whole Common Share at the date of such exercise.

5.6 RIGHTS OF ACTION

Subject to the terms of this Agreement, all rights of action in respect of this Agreement, other than rights of action vested solely in the Rights Agent, are vested in the respective holders of the Rights. Any holder of Rights, without the consent of the Rights Agent or of the holder of any other Rights, may on such holder's own behalf and for such holder's own benefit and the benefit of other holders of Rights institute and maintain any action or proceeding against the Corporation to enforce such holder's right to exercise the holder's Rights in the manner provided in such holder's Rights Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holder of Rights would not have an adequate remedy at law for any breach of this agreement and is entitled to specific performance of the obligations under and injunctive relief against actual or threatened violations of the obligations of any Person subject to this Agreement.

5.7 SUSPENSION OF TIME OF EXERCISE

In the discretion of the Board of Directors the Corporation may temporarily suspend, for a period of time not to exceed 90 days after the Separation Time, the exercisability of the Rights in order to prepare and register or file such documents as may be necessary in order to comply with any laws or regulations. Upon any such suspension, the Corporation shall issue a public announcement stating that the exercisability of the Rights has been temporarily suspended.

5.8 NON-CANADIAN HOLDERS

If in the opinion of the Board of Directors (who may rely upon the advice of counsel) any action or event contemplated by this Agreement would require compliance by the Corporation with the securities laws or comparable legislation of a jurisdiction outside Canada, the Board of Directors acting in good faith shall take such actions as it may deem appropriate to ensure such compliance. In no event has the Corporation or the Rights Agent an obligation to issue or deliver Rights or securities issuable on exercise of Rights to Persons who are citizens, residents or nationals of any jurisdiction other than Canada or the United States, in which jurisdiction such issue or delivery would be unlawful without registration of the relevant Persons, securities or issue or delivery for such purposes.

5.9 NOTICES

(1) Notices or demands authorized or required by this Agreement to be given or made by the Rights Agent or by the holder of any Rights to or on the Corporation are sufficiently given or made if delivered, sent by registered or certified mail, postage prepaid (until another address is filed in writing with the Rights Agent), or sent by facsimile or other form of recorded electronic communication, charges prepaid and confirmed in writing, as follows:

Golden Star Resources Ltd.

One Norwest Center, 1700 Lincoln Street
Suite 1950
Denver, Colorado
80203

Attention: Chief Executive Officer or Corporate Secretary
Telecopier No.: (303)830-9092

(2) Notices or demands authorized or required by this Agreement to be given or made by the Corporation or by the holder of any Rights to or on the Rights Agent are sufficiently given or made if delivered, sent by registered or certified mail, postage prepaid (until another address is filed in writing with the Corporation), or sent by facsimile or other form of recorded electronic communication charges prepaid, and confirmed in writing, as follows:

The R-M Trust Company 1177 West Hastings Street Vancouver, British Columbia Canada V6E 2K3

Attention: Corporate Trust Department Telecopier No.: (604) 688-4301

(3) Notices or demands authorized or required by this Agreement to be given or made by the Corporation or the Rights Agent to or on the holder of any Rights are sufficiently given or made if delivered or sent by registered or certified mail, postage prepaid, addressed to such holder at the address of such holder as it appears upon the register of the Rights Agent or, prior to the Separation Time, on the register of the Corporation for its Common Shares. Any notice that is mailed or sent in the manner herein provided is deemed given, whether or not the holder receives the notice.

(4) Any notice given or made in accordance with section 5.9 is deemed to have been given and to have been received on the day of delivery, if so delivered, on the third Business Day (excluding each day during which there exists any general interruption of postal service due to strike, lockout or other cause) following the mailing thereof, if so mailed, and on the day of telegraphing, telecopying or sending of the same by other means of recorded electronic communication (provided such sending is during the normal business

hours of the addressee on a Business Day and if not, on the first Business Day thereafter). Each of the Corporation and the Rights Agent may from time to time change its address for notice by notice to the other given in the manner aforesaid.

5.10 COSTS OF ENFORCEMENT

The Corporation agrees that if the Corporation fails to fulfil any of its obligations under this Agreement, the Corporation shall reimburse the holder of any Rights for the costs and expenses (including legal fees) incurred by such holder to enforce his rights pursuant to any Rights or this Agreement.

5.11 SUCCESSORS

All provisions of this Agreement by or for the benefit of the Corporation or the Rights Agent bind and enure to the benefit of their respective successors and assigns.

5.12 BENEFITS OF THIS AGREEMENT

Nothing in this Agreement is to be construed to give to any Person other than the Corporation, the Rights Agent and the holders of the Rights any legal or equitable right, remedy or claim under this Agreement; this Agreement is for the sole and exclusive benefit of the Corporation, the Rights Agent and the holders of the Rights.

5.13 GOVERNING LAW

This Agreement and each Right issued under it is governed by and construed in accordance with the laws of the Province of British Columbia and any action brought in relation to this Agreement and each Right must be brought in the appropriate court of that Province.

5.14 SEVERABILITY

If any term or provision hereof or the application thereof to any circumstance is in any jurisdiction and to any extent invalid or unenforceable, such term or provision is ineffective only as to such jurisdiction and to the extent of such invalidity or unenforceability in such jurisdiction without invalidating or rendering unenforceable or ineffective the remaining terms and provisions hereof in such jurisdiction or the application of such term or provision in any other jurisdiction or to circumstances other than those as to which it is specifically held invalid or unenforceable.

5.15 EFFECTIVE DATE

This Agreement is in full force in accordance with its terms from and after the Effective Date. At the first annual meeting of holders of Voting Shares of the Corporation following the Effective Date, the Corporation shall request confirmation of this Agreement by the holders of its Voting Shares. If this Agreement is not confirmed by a majority of the votes cast by holders of Voting Shares who vote in respect of confirmation of the Agreement at such meeting, this Agreement and all outstanding Rights terminate and become void at the close of business on the date of termination of such meeting.

5.16 TIME OF THE ESSENCE

Time is of the essence in this Agreement.

5.17 EXECUTION IN COUNTERPARTS

This Agreement may be executed in any number of counterparts and each of such counterparts is for all purposes deemed to be an original, and all such counterparts together constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed as of the ____ day of _____, 1996.

GOLDEN STAR RESOURCES LTD.

By: /s/ Louis Peloquin

By: /s/ David A. Fennell

THE R-M TRUST COMPANY

By: /s/ Signature illegible

By: /s/ Signature illegible

ATTACHMENT 1

GOLDEN STAR RESOURCES LTD.

RIGHTS AGREEMENT

[Form of Rights Certificate]

Certificate No. _____ Rights _____

THE RIGHTS ARE SUBJECT TO TERMINATION ON THE TERMS SET FORTH IN THE RIGHTS AGREEMENT. UNDER CERTAIN CIRCUMSTANCES (SPECIFIED IN SUBSECTION 3.1(2) OF THE RIGHTS AGREEMENT), RIGHTS BENEFICIALLY OWNED BY AN ACQUIRING PERSON OR CERTAIN RELATED PARTIES, OR TRANSFEREES OF AN ACQUIRING PERSON OR CERTAIN RELATED PARTIES, MAY BECOME VOID.

Rights Certificate

This certifies that _____, or registered assigns, is the registered holder of the number of Rights set forth above, each of which entitles the registered holder thereof, subject to the terms, provisions and conditions of the Rights Agreement, dated as of April 24, 1996 (the "Rights Agreement"), between Golden Star Resources Ltd., a corporation duly incorporated under the Canada Business Corporations Act ("the Corporation") and The R-M Trust Company, a trust company incorporated under the laws of Canada (the "Rights Agent") (which term shall include any successor Rights Agent under the Rights Agreement), to purchase from the Corporation at any time after the Separation Time (as such term is defined in the Rights Agreement) and before the Expiration Time (as such term is defined in the Rights Agreement), one fully paid common share of the Corporation (a "Common Share") at the Exercise Price referred to below, upon presentation and surrender of this Rights Certificate with the Form of Election to Exercise (in the form provided hereinafter) duly executed and submitted to the Rights Agent at its principal office in any of the cities of Vancouver, Calgary, Winnipeg, Toronto, Montreal and Halifax. The Exercise Price shall initially be \$200.00 (Cdn.) per Right and shall be subject to adjustment in certain events as provided in the Rights Agreement.

This Rights Certificate is subject to all the provisions of the Rights Agreement, which provisions are incorporated herein by reference and made a part hereof and to which Rights Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Rights Agent, the Corporation and the holders of the Rights Certificates. Copies of the Rights Agreement are on file at the registered office of the Corporation.

This Rights Certificate, with or without other Rights Certificates, upon surrender at any of the offices of the Rights Agent designated for such purpose, may be exchanged for another Rights Certificate or Rights Certificates of like tenor and date evidencing an aggregate number of Rights equal to the aggregate number of Rights evidenced by the Rights Certificate or Rights Certificates surrendered. If this Rights Certificate is exercised in part, the registered holder is

entitled to receive, upon surrender hereof, another Rights Certificate or Rights Certificates for the number of whole Rights not exercised.

No holder of this Rights Certificate, as such, is entitled to vote or receive dividends or be deemed for any purpose the holder of Common Shares or of any other securities which may at any time be issuable upon the exercise hereof, nor shall anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof, as such, any of the Rights of a shareholder of the Corporation or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings or other actions affecting shareholders (except as provided in the Rights Agreement), or to receive dividends or subscription rights, or otherwise, until the Rights evidenced by this Rights Certificate shall have been exercised as provided in the Rights Agreement.

This Rights Certificate is not valid or obligatory for any purpose until it shall have been countersigned by the Rights Agent.

WITNESS the facsimile signature of the proper officers of the Corporation and its corporate seal.

Date:

GOLDEN STAR RESOURCES LTD.

By: _____
[President]

By: _____
[Secretary]

Countersigned:

THE R-M TRUST COMPANY

By:

Authorized Signature

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer the Rights Certificate.)

FOR VALUE RECEIVED _____ hereby transfers unto

(Please print name and address of transferee.)

the Rights represented by this Rights Certificate, together with all right therein, and does hereby irrevocably constitute and appoint _____, as attorney, to transfer the within Rights on the books of the Corporation, with full power of substitution.

Dated: _____

Signature

Signature Guaranteed:

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever.)

Signature must be guaranteed by a member firm of a recognized stock exchange in Canada, or a commercial bank or trust company having an office or correspondent in Canada.

CERTIFICATE

(To be completed if true)

The undersigned party transferring Rights under this Form of Agreement hereby represents for the benefit of all holders of Rights and Common Shares that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof or a Person acting jointly or in concert with an Acquiring Person or an Affiliate or Associate thereof. Capitalized terms have the meaning ascribed thereto in the Rights Agreement.



Signature

(To be attached to each Rights Certificate)

FORM OF ELECTION TO EXERCISE

(To be exercised by the registered holder if such holder desires to exercise the Rights Certificate.)

TO:

The undersigned hereby irrevocably elects to exercise _____ whole Rights represented by the attached Rights Certificate to purchase the Common Shares or other securities, if applicable, issuable upon the exercise of such Rights and requests that certificates for such securities be issued in the name of:

(Name)

(Address)

(City and Province)

Social Insurance Number or other taxpayer identification number.

If such number of Rights are not all the Rights evidenced by this Rights Certificate, a new Rights Certificate for the balance of such Rights shall be registered in the name of and delivered to:

(Name)

(Address)

(City and Province)

Social Insurance Number or other taxpayer identification number.

Dated: _____

Signature

Signature Guaranteed:

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever.)

Signature must be guaranteed by a member firm of a recognized stock exchange in Canada or a commercial bank or trust company having an office or correspondent in Canada.

EXHIBIT 10.1

Summary of Executive Management Performance Bonus Plan

Golden Star Resources Ltd. has adopted an executive management performance bonus plan under which the Company's executive officers and certain other management personnel are eligible for annual bonus awards. Bonuses are awarded at the discretion of the Company's Board of Directors, based on the Board's evaluation of the performance of both the Company and the participant measured against performance objectives established each year. The Company's executives, including the following four executive officers named in its proxy statement and management information circular for its 2002 annual general meeting of shareholders are eligible for discretionary bonus awards based on salary levels and performance: Mr. Peter J. Bradford, President and Chief Executive Officer; Mr. Allan J. Marter, Senior Vice President and Chief Financial Officer; Mr. Richard Q. Gray, Senior Vice President and Chief Operating Officer; and Dr. Peter G. Donald, Vice President.

EXHIBIT 10.2

GOLDEN STAR RESOURCES LTD.

AMENDED AND RESTATED 1997 STOCK OPTION PLAN
(EFFECTIVE DATE OF AMENDMENT APRIL 3, 2002)

1. PURPOSE

1.1 The purpose of the 1997 Stock Option Plan (the "Plan") is to advance the interests of Golden Star Resources Ltd. (the "Corporation") by encouraging equity participation in the Corporation by selected key employees, consultants and directors of the Corporation or subsidiaries of the Corporation through the acquisition of common shares without par value ("Shares") in the Corporation. Any reference herein to the Corporation or any subsidiary of the Corporation shall be deemed to refer to any predecessor or successor corporation thereto.

It is the further purpose of this Plan to permit the granting of awards that will constitute performance-based compensation for certain executive officers, as described in section 162(m) of the United States Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder.

As of the effective date of the Plan, the 1992 Employees' Stock Option Plan and the 1992 Non-Discretionary Directors' Stock Option Plan (collectively, the "1992 Plans") will be terminated subject to the assumption under the Plan of outstanding options granted under the 1992 Plans.

2. ADMINISTRATION OF THE PLAN

2.1 The Plan will be administered by a specifically designated independent committee ("Independent Committee") of the Board of Directors of the Corporation (the "Board of Directors"), except that with respect to options granted to non-employee directors of the Corporation, the Board of Directors shall serve as the Committee, and, where applicable, any reference herein to the Independent Committee shall be deemed to refer to the Board of Directors. The Independent Committee shall consist of such two or more directors of the Corporation as the Board of Directors may designate from time to time, all of whom shall be and remain directors of the Corporation. To the extent necessary to comply with Code section 162(m) or Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act"), as amended ("Rule 16b-3"), each member of the Independent Committee shall be intended to be an "outside director" within the meaning of Code section 162(m) or a "non-employee director" within the meaning of Rule 16b-3. The Independent Committee is authorized to interpret and to implement the Plan and all Plan agreements and may from time to time amend or rescind rules and regulations required for carrying out the Plan. The Independent Committee shall have the authority to exercise all of the powers granted to it under the Plan, to make any determination necessary or advisable in administering the Plan and to correct any defect, supply any

omission and reconcile any inconsistency in the Plan. Any such interpretation or construction of any provision of the Plan shall be final and conclusive. Notwithstanding the foregoing, the Board of Directors may resolve to administer the Plan with respect to all of the Plan or certain participants and/or awards made or to be made under the Plan. To the extent that the Board of Directors determines to administer the Plan, all references herein to the Independent Committee shall be deemed to refer to the Board of Directors.

All administrative costs of the Plan shall be paid by the Corporation. No member of the Independent Committee shall be liable for any action or determination made in good faith with respect to the Plan or any option granted under it.

3. PARTICIPATION

3.1 Options may be granted under the Plan to persons who are directors or key employees (including officers, whether or not directors, and part-time employees) of, or independent consultants to, the Corporation or any of its subsidiaries who, by the nature of their positions or jobs, are in the opinion of the Independent Committee in a position to contribute to the success of the Corporation or any of its subsidiaries or who, by virtue of their length of service to the Corporation or to any of its subsidiaries are, in the opinion of the Independent Committee, worthy of special recognition. Designation of a participant in any year shall not require the designation of such person to receive an option in any other year. The Independent Committee shall consider such factors as it deems pertinent in selecting participants and in determining the amount and terms of their respective options.

Options shall also be granted to non-employee directors of the Corporation in accordance with Section 11 of the Plan.

3.2 Subject to applicable regulatory approval, options may also be granted under the Plan in exchange for outstanding options granted by the Corporation, whether such outstanding options are granted under the Plan, under any other stock option plan of the Corporation or under any stock option agreement with the Corporation. Options granted under the 1992 Plans which are outstanding upon the effectiveness of the Plan will be assumed and will be deemed to be governed by the Plan as of such date.

3.3 Options may also be granted under the Plan in substitution for outstanding options of another corporation in connection with a plan of arrangement, amalgamation, merger, consolidation, acquisition of property or shares, or other reorganization between or involving such other corporation and the Corporation or any of its subsidiaries.

4. NUMBER OF SHARES RESERVED UNDER THE PLAN

4.1 The number of Shares reserved for issuance under the Plan is limited as follows:

(a) the maximum number of Shares issuable pursuant to the exercise of options granted under the Plan shall be 9,000,000 (including such number of Shares

issuable upon exercise of options granted under the 1992 Plan as of the effective date of the Plan) provided, however, if, after the effective date of the Plan, any Shares covered by an option granted under the Plan, or to which such an option relates, are forfeited, or if an option has expired, terminated or been cancelled for any reason whatsoever (other than by reason of exercise), then the Shares covered by such option shall again be, or shall become, Shares with respect to which options may be granted hereunder;

(b) the number of Shares that may be reserved from time to time under the Plan for issuance to Insiders (as defined below) of the Corporation shall be limited to that number which is equal to the difference between (i) 10% of the outstanding number of Shares from time to time, and (ii) the number of Shares that are reserved for issuance to Insiders pursuant to stock options granted under other stock option plans or arrangements of the Corporation;

(c) the total number of Shares issuable within any one-year period to all Insiders of the Corporation pursuant to the exercise of vested options granted under the Plan or pursuant to any other share compensation arrangements of the Corporation shall not exceed 10% of the Outstanding Issue;

(d) the total number of Shares reserved for issuance to any one optionee pursuant to options granted under the Plan or other stock option plans or arrangements of the Corporation shall not exceed 5% of the outstanding number of Shares from time to time; and

(e) the total number of Shares issuable within any one-year period to an Insider and, if applicable, such Insider's "associates" (as defined under the Securities Act (Ontario) pursuant to the exercise of vested options granted under the Plan or any other share compensation arrangements of the Corporation shall not exceed 5% of the Outstanding Issue.

"Insiders" has the meaning set forth in the Toronto Stock Exchange's policy issued March 22, 1994 entitled "Employee Stock Option and Stock Purchase Plans, Options for Services and Related Matters."

"Outstanding Issue", for the purposes of the Plan, is determined on the basis of the number of Shares that are outstanding immediately prior to the Shares issuance in question, excluding Shares issued pursuant to the Plan or the Corporation's other share compensation arrangements over the preceding one-year period. The maximum number of Shares set forth in Section 4.1(a) shall be appropriately adjusted in the event of any subdivision or consolidation of the Shares or in the discretion of the Independent Committee, to reflect any other corporate event or change in the Shares.

5. NUMBER OF OPTIONED SHARES PER OPTIONEE

5.1 Subject to Section 4.1 hereof, the maximum number of Shares subject to options granted to any one participant under the Plan in any one calendar year shall not exceed 400,000 (subject to adjustment in the event of any subdivision or consolidation of the Shares). Subject to these limitations and Section 11, however, the determination regarding the number of optioned Shares that may be granted to each optionee pursuant to an option will be made by the Independent Committee and will take into consideration the optionee's present and potential contribution to the success of the Corporation.

6. PRICE

6.1 The exercise price per optioned Share shall be determined by the Independent Committee at the time the option is granted, but such price shall not be less than the fair market value per Share on the date of grant. For the purposes of the Plan, "fair market value" per Share shall mean the closing price of the Shares on the stock exchange or other market on which the Shares principally traded on the day immediately preceding the date of grant.

7. EXERCISE OF OPTIONS

7.1 The period during which an option may be exercised (the "Option Period") shall be determined by the Independent Committee at the time the option is granted and may be up to 10 years from the date the option is granted, except as the same may be reduced pursuant to the provisions of Sections 8 and 9 hereof and except as provided in Section 11 hereof.

7.2 In order to ensure that the Corporation will receive the benefits contemplated in exchange for the options granted hereunder, no option shall be exercisable until it has vested. Subject to Section 11.1 hereof, the vesting schedule for each option shall be specified in an option agreement as provided for in Section 12 hereof; provided, however, that the Independent Committee shall have the right with respect to any one or more optionees to accelerate the time at which an option may be exercised. Notwithstanding the foregoing provisions of this Section 7.2, if there is a Change of Control, as defined below, then all options outstanding shall become immediately exercisable.

For purposes of this Plan, a "Change of Control" shall mean the occurrence of any of the following: (i) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of the Corporation to any "person" or "group" (as such terms are used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act), (ii) any person or group, is or becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a person shall be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the voting stock of the Corporation, including by way of merger, consolidation or otherwise or (iii) during any period of two consecutive years, individuals who at the beginning of such period

constituted the Board of Directors (together with any new directors whose election by such Board of Directors whose nomination for election by the shareholders of the Corporation was approved by a vote of a majority of the directors of the Corporation, then still in office, who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors, then in office.

7.3 Options shall be exercisable, either all or in part, at any time after vesting. If less than all of the Shares included in the vested portion of any option are purchased, the remainder may be purchased, subject to the option's terms, at any subsequent time prior to the expiration of the Option Period.

7.4 Except as set forth in Sections 8 and 9 hereof, no option may be exercised unless the optionee is at the time of such exercise an employee or director of, or consultant to, the Corporation or any of its subsidiaries and shall have continuously served in any one or more of such capacities since the grant of the option. Absence on leave, with the approval of the Independent Committee, shall not be considered an interruption of service for any purpose of the Plan.

7.5 The exercise of any option will be contingent upon receipt by the Corporation of payment for the full purchase price of the Shares being purchased in cash by way of certified cheque or bank draft or by way of proceeds of any loan made by the Corporation to the optionee pursuant to Section 10 hereof. No optionee or his or her legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares subject to an option under the Plan, unless and until certificates for such Shares are issued to him, her or them under the terms of the Plan.

7.6 No option granted under the Plan shall be an "incentive stock option" within the meaning of Code section 422.

8. TERMINATION OF EMPLOYMENT

8.1 Except as provided in Section 11 hereof, if an optionee ceases to be employed by, or provide services to, the Corporation or any of its subsidiaries for any reason (other than death), or shall receive notice from the Corporation or any of its subsidiaries of the termination of his or her employment or services (such optionee being referred to in this Section 8.1 as a "Former Optionee"), the Former Optionee may only exercise each option held, to the extent that it has vested and not been exercised before such termination, until the earlier of:

(a) the date which is 30 days after the Former Optionee ceased to be employed by, or provide services to, the Corporation or any of its subsidiaries; and

(b) the expiry of the Option Period for the option (the "Option Expiry Date");

provided, however, that:

(c) if the Former Optionee continues to be a director of the Corporation or any of its subsidiaries after such termination of employment, each option held will continue to be exercisable until the earlier of:

(i) the date which is 12 months after the Former Optionee ceases to be such a director for any reason (other than death), and

(i) the Option Expiry Date, and

(d) each option held may continue to be exercisable for such longer period than that provided for in this Section 8.1 if and as may be determined by the Independent Committee and any such determination by the Independent Committee may be made retroactively effective in order to reinstate the effectiveness of an option held by a Former Optionee that is otherwise rendered unexercisable pursuant to the other provisions of this Section 8.1; provided, however, that any such determination by the Independent Committee shall be subject to the following:

(i) such determination shall be made within three months after the date that the Former Optionee ceased to be employed by, or provide services to, the Corporation or any of its subsidiaries;

(ii) such determination shall be subject to applicable regulatory approvals; and

(iii) such longer exercise period determined by the Independent Committee for any option shall not extend beyond the Option Expiry Date for such option.

9. DEATH OF OPTIONEE

9.1 In the event of the death of an optionee while in service or in the post-termination period described in Section 8, each option theretofore granted to him or her shall be exercisable until the earlier of:

(a) the expiry of the period within which the option may be exercised after such death, which period may be up to one year after such death and is to be specified in his or her option agreement, and

(b) the Option Expiry Date;

provided, however, that the option is only exercisable in such event:

(c) by the person or persons to whom the optionee's rights under the option shall pass by the optionee's will or by the laws of descent and distribution, and

(d) to the extent that the option has vested and not been exercised prior to the Optionee's death.

10. LOANS TO EMPLOYEES

- 10.1 An interest free loan will be made available to optionees who are employees of the Corporation or any of its subsidiaries at the time the loan is made, the proceeds of which loan may only be used directly for the exercise of options granted under the Plan to the optionee.

The optionee shall pledge the subject shares as security for timely repayment of the loan and the Corporation's sole recourse for repayment and recovery of the loan shall be against the pledged shares. Until the loan is repaid, the pledged shares will be held by a trustee designated by the Corporation. The term of the loan shall be five years from the date of the loan, provided that the due date for the loan shall not in any event extend beyond that date which is ten years from the date of grant of the particular option, and, provided further, that the loan shall be repaid within 30 days of the earlier of the date upon which the optionee ceases to be an employee of the Corporation or any of its subsidiaries for any reason (other than death), or the date upon which the optionee receives notice from the Corporation or any of its subsidiaries of the termination of his or her employment. If the option has not been exercised by the optionee prior to his or her death, the loan provisions shall not be available for the exercise of the option pursuant to Section 9 hereof after his or her death.

11. AUTOMATIC GRANTS TO NON-EMPLOYEE DIRECTORS

- 11.1 Each person who becomes a non-employee director of the Corporation will automatically be granted, as of the date such person first becomes a non-employee director, an option to purchase 40,000 Shares, provided that, within the one year prior to the date he or she became a non-employee director, he or she had not been granted any other stock option by the Corporation (or an affiliate). On each anniversary a person became a non-employee director of the Corporation if he or she continues to be a non-employee director of the Corporation, he or she will automatically be granted, as of the anniversary date, an option to purchase 10,000 Shares. For purposes of this Section 11, a non-employee director is any person who is a member of the Board of Directors and who is not an employee or consultant of the Corporation or any of its subsidiaries. All options granted under this Section 11.1 shall be exercisable for a period of 10 years from the date the option is granted (except as provided in Section 11.3) and shall vest immediately upon grant.
- 11.2 Notwithstanding the provisions for automatic grants of options set forth in section 11.1 hereof, if any particular automatic grant of an option would violate the requirements of Section 4.1 or 5.1 hereof, then the grant of such option shall be postponed until such time as when the option may be granted without any violation of Section 4.1 or 5.1 hereof.
- 11.3 With respect to options granted under this Section 11, if an optionee shall cease to be a director of the Corporation for any reason (other than death), he or she may exercise each option held, to the extent

that it has vested and not been exercised, until the earlier of:

(a) the date which is 12 months after the optionee ceases to be a director; and

(b) the expiry of the Option Period for the option (the "Option Expiry Date").

12. OPTION AGREEMENT

12.1 Upon the grant of an option to an optionee, the Corporation and the optionee shall enter into an option agreement setting out the number of optioned Shares granted to the optionee and incorporating the terms and conditions of the Plan and any other requirements of regulatory bodies having jurisdiction over the securities of the Corporation and such other terms and conditions as the Independent Committee may determine are necessary or appropriate, subject to the Plan's terms.

13. ADJUSTMENT IN SHARES SUBJECT TO THE PLAN

13.1 The option exercise price and the number of Shares to be purchased by an optionee upon the exercise of an option will be adjusted, with respect to the then unexercised portion thereof, by the Independent Committee from time to time (on the basis of such advice as the Independent Committee considers appropriate, including, if considered appropriate by the Independent Committee, a certificate of auditors of the Corporation) in the event and in accordance with the provisions and rules set out in this Section 13. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Independent Committee, and any such determination will be binding on the Corporation, the optionee and all other affected parties.

(a) In the event that a dividend is declared upon the Shares payable in Shares (other than in lieu of dividends paid in the ordinary course), the number of Shares then subject to any option shall be adjusted by adding to each such Share the number of Shares which would be distributable thereon if such Share had been outstanding on the date fixed for determining shareholders entitled to receive such stock dividend.

(b) In the event that the outstanding Shares are changed into or exchanged for a different number or kind of Shares or other securities of the Corporation or of another corporation, whether through an arrangement, amalgamation or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then there shall be substituted for each Share subject to any option the number and kind of Shares or other securities of the Corporation or another corporation into which each outstanding Share shall be so changed or for which each such Share shall be exchanged.

(c) In the event that there is any change, other than as specified above in this Section 13, in the number or kind of outstanding Shares or of any securities into which such Shares shall have been changed or for which they shall have been

exchanged, then, if the Independent Committee, in its sole discretion, determines that such change equitably requires an adjustment to be made in the number or kind of Shares, such adjustment shall be made by the Independent Committee and be effective and binding for all purposes.

(d) In the event that the Corporation distributes by way of a dividend, or otherwise, to all or substantially all holders of Shares, property, evidences of indebtedness or shares or other securities of the Corporation (other than Shares) or rights, options or warrants to acquire Shares or securities convertible into or exchangeable for Shares or other securities or property of the Corporation, other than as a dividend in the ordinary course, then, if the Independent Committee, in its sole discretion, determines that such action equitably requires an adjustment in the option exercise price or number of Shares subject to any option, or both, such adjustment shall be made by the Independent Committee and shall be effective and binding for all purposes.

13.2 In the case of any such substitution or adjustment as provided for in this Section 13, the exercise price in respect of each option for each Share covered thereby prior to such substitution or adjustment will be proportionately and appropriately varied, such variation shall generally require that the number of Shares or securities covered by the option after the relevant event multiplied by the varied option exercise price be equal to the number of Shares covered by the option prior to the relevant event multiplied by the original option exercise price.

13.3 No adjustment or substitution provided for in this Section 13 shall require the Corporation to issue a fractional share in respect of any option. Fractional shares shall be eliminated.

13.4 The grant of an option shall not affect in any way the right or power of the Corporation to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

14. TRANSFERABILITY

14.1 All benefits, rights and options accruing to any optionee in accordance with the terms and conditions of the Plan shall not be assignable other than as specifically provided in Section 9 in the event of the death of the optionee. During the lifetime of an optionee, all benefits, rights and options shall not be transferable and may only be exercised by the optionee.

15. EMPLOYMENT

15.1 Nothing contained in the Plan shall confer upon any optionee any right with respect to employment or continuance of employment with, or the provision of services to, the Corporation or any of its subsidiaries, or interfere in any way with the right of the

Corporation or any of its subsidiaries to terminate the optionee's employment or services at any time. Participation in the Plan by an optionee is voluntary.

16. RECORD KEEPING

16.1 The Corporation shall maintain a register in which shall be recorded:

- (a) the name and address of each optionee; and
- (b) the number of Shares subject to an option granted to an optionee and the number of Shares subject to the option remaining outstanding.

17. SECURITIES REGULATION AND TAX WITHHOLDING

17.1 Where the Independent Committee determines it is necessary or desirable to effect exemption from registration or distribution of the Shares under securities laws applicable to the securities of the Corporation, an optionee shall be required, upon the acquisition of any Shares pursuant to the Plan, to acquire the Shares with investment intent (i.e., for investment purposes) and not with a view to their distribution, and to present to the Independent Committee an undertaking to that effect in a form acceptable to the Independent Committee. The Board of Directors and the Independent Committee may take such other action or require such other action or agreement by such optionee as may from time to time be necessary to comply with applicable securities laws. This provision shall in no way obligate the Corporation to undertake the registration or qualification of any options or the Shares under any securities laws applicable to the securities of the Corporation.

17.2 The Board of Directors and the Corporation may take all such measures as they deem appropriate to ensure that the Corporation's obligations under the withholding provisions under income and tax laws applicable to the Corporation and other provisions of applicable laws are satisfied with respect to the issuance of Shares pursuant to the Plan or the grant or exercise of options under the Plan.

17.3 Issuance, transfer or delivery of certificates for Shares purchased pursuant to the Plan may be delayed, at the discretion of the Independent Committee, until the Independent Committee is satisfied that the applicable requirement of securities and income tax laws have been met.

18. AMENDMENT AND TERMINATION

18.1 The Board of Directors reserves the right to amend or to terminate the Plan at any time if and when it is advisable in the absolute discretion of the Board of Directors; provided, however, that no such amendment or termination shall adversely affect any outstanding options granted under the Plan without the consent of the optionee. Furthermore, to the extent any amendment would require shareholder approval under Code section 162(m), such amendment shall be effective upon the required approval of the shareholders of the

Corporation. Any amendment to the Plan shall also be subject to any necessary approvals of any stock exchange or regulatory body having jurisdiction over the securities of the Corporation and, where applicable, shareholders approval.

- 18.2 Subject to regulatory approval, where applicable, the Independent Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any option theretofore granted, prospectively or retroactively; provided, however, that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would impair the rights of any optionee or any holder or beneficiary of any option theretofore granted shall not to that extent be effective without the consent of the affected optionee, holder or beneficiary.
19. NO REPRESENTATION OR WARRANTY
- 19.1 The Corporation makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.
20. NECESSARY APPROVALS
- 20.1 The obligation of the Corporation to issue and to deliver any Shares in accordance with the Plan is subject to any necessary or desirable approval of any regulatory authority having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any optionee for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation shall be returned to the optionee.
21. GENERAL PROVISIONS
- 21.1 Nothing contained in the Plan shall prevent the Corporation or any subsidiary thereof from adopting or continuing in effect other compensation arrangements, which may, but need not, provide for the grant of options (subject to shareholder approval if such approval is required), and such arrangements may be either generally applicable or applicable only in specific cases.
- 21.2 The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan and any option agreement shall be determined in accordance with the laws of the State of New York.
- 21.3 If any provision of the Plan or any option is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or option, or would disqualify the Plan or any option under any law deemed applicable by the Independent Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Independent Committee, materially altering the intent of the Plan or the option, such provision shall be stricken as to such jurisdiction, person or option and the remainder of the Plan and any such option shall remain in full force and effect.

- 21.4 Neither the Plan nor any option shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Corporation or any subsidiary thereof and an optionee or any other person.
- 21.5 Headings are given to the Sections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.
22. TERM OF THE PLAN
- 22.1 The Plan shall be effective as of the date of its approval by the shareholders of the Corporation, subject to receipt of all necessary regulatory approvals.
- 22.2 No option shall be granted under the Plan after June 10, 2007. Unless otherwise expressly provided in the Plan or in an applicable option agreement, any option granted hereunder may, and the authority of the Board of Directors or the Independent Committee to amend, alter, adjust, suspend, discontinue, or terminate any such option or to waive any conditions or rights under any such option shall, continue after June 10, 2007.

EXHIBIT 10.3

**FORM OF INDEMNIFICATION AGREEMENT
GOLDEN STAR RESOURCES LTD.**

Golden Star Resources Ltd. has entered into indemnification agreements in substantially the form attached with the following officers and directors:

Robert R. Stone
Peter J. Bradford
David K. Fagin
Ian MacGregor
James E. Askew
Allan J. Marter
Peter G. Donald
Richard Q. Gray

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT made as of _____ between GOLDEN STAR RESOURCES LTD., a Canadian Corporation (the "Company") and _____ (the "Indemnitee").

WHEREAS, it is essential to the Company and its shareholders to attract and retain qualified and capable directors, officers, employees, agents and fiduciaries; and

WHEREAS, historically, basic protection against undue risk of personal liability of directors and officers has been provided through insurance coverage providing reasonable protection at reasonable cost; and

WHEREAS, it is presently uncertain whether, and to what extent, such insurance is or will continue to be available to the Company at a reasonable cost for the protection of the Indemnitee; and

WHEREAS, it has been the policy of the Company to indemnify its directors and officers so as to provide them with the maximum possible protection permitted by law; and

WHEREAS, in recognition of the Indemnitee's need for protection against personal liability in order to induce the Indemnitee to serve or continue to serve the Company in an effective manner, and, in the case of directors and officers, to supplement or replace the Company's directors' and officers' liability insurance coverage, and in part to provide the Indemnitee with specific contractual assurance that the protection contemplated hereby will be available to the Indemnitee (regardless of, among other things, any amendment to the Company's Articles of Arrangement or By-Laws or any change in the composition of the Company's Board of Directors or any acquisition transaction relating to the Company), the Company wishes to provide the Indemnitee with the benefits contemplated by this Agreement; and

WHEREAS, as a result of the provision of such benefits the Indemnitee has agreed to serve or to continue to serve the Company;

NOW THEREFORE, the parties hereto do hereby agree as follows:

1. DEFINITIONS. The following terms, as used herein, shall have the following respective meanings:

(a) AN AFFILIATE: of a specified Person is a Person who directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified. The term Associate used to indicate a relationship with any Person shall mean (i) any corporation or organization (other than the Company or a Subsidiary) of which such Person is an officer or partner or is, directly, or indirectly, the Beneficial Owner of ten percent or more of any class of Equity Securities, (ii) any trust or other estate in which such Person has a substantial beneficial interest or as to which such Person serves as trustee or in a similar fiduciary capacity (other than as

trustee of an employee stock ownership or similar plan of the Company or any Subsidiary), (iii) any Relative of such Person, or (iv) any officer or director of any corporation controlling or controlled by such Person.

(b) **BENEFICIAL OWNERSHIP:** shall be determined, and a Person shall be the **BENEFICIAL OWNER** of all securities which such Person is deemed to own beneficially, pursuant to Rule 13d-3 made under the United States Securities Exchange Act of 1934, as amended (or any successor rule or statutory provision), or, if said Rule 13d-3 shall be rescinded and there shall be no successor rule or statutory provision thereto, pursuant to said Rule 13d-3 as in effect on the date hereof; provided, however, that a Person shall, in any event, also be deemed to the **BENEFICIAL OWNER** of any Voting Shares: (A) of which such Person or any of its Affiliates or Associates is, directly or indirectly, the Beneficial Owner, or (B) of which such Person or any of its Affiliates or Associates has

(i) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants, or options, or otherwise, or (ii) sole or shared voting or investment power with respect thereto pursuant to any agreement, arrangement, understanding, relationship or otherwise (but shall not be deemed to be the Beneficial Owner of any Voting Shares solely by reason of a revocable proxy granted for a particular meeting of stockholders, pursuant to a public solicitation of proxies for such meeting, with respect to shares of which neither such Person nor any such Affiliate or Associate is otherwise deemed the Beneficial Owner), or (C) of which any other Person is directly or indirectly, the Beneficial Owner if such first mentioned Person or any of its Affiliates or Associates acts with such other Person as a partnership, syndicate or other group pursuant to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of the Company.

(c) "**CBCA**": means the Canada Business Corporations Act under which the Company presently subsists.

(d) **A CHANGE IN CONTROL:** shall be deemed to have occurred if (A) any Person (other than (i) the Company or any Subsidiary, (ii) any pension, profit sharing, employee stock ownership or other employee benefit plan of the Company or any Subsidiary or any trustee of or fiduciary with respect to any such plan when acting in such capacity, or (iii) any Person who is as of the date hereof the Beneficial Owner of 20% or more of the total voting power of the Voting Shares) is or becomes, after the date of this Agreement, the Beneficial Owner of 20% or more of the total voting power of the Voting Shares, (B) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board of Directors of the Company and any new director whose election or appointment by the Board of Directors or nomination or recommendation for election by the Company's shareholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (C) the shareholders of the Company approve a business combination of the Company with any other corporation, other than a business combination which would result in the Voting Shares of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Shares of the surviving entity) at least 80% of the total voting power represented by the Voting Shares of the Company or such surviving entity outstanding, or the shareholders of the Company approve a plan of complete liquidation of the Company or an

agreement for the sale or disposition by the Company of all or substantially all of the Company's assets.

(e) **CLAIM:** means any threatened, pending or completed action, suit, arbitration or proceeding, or any inquiry or investigation, whether brought by or in the right of the Company or otherwise, that the Indemnitee in good faith believes might lead to the institution of any such action, suit, arbitration or proceeding, whether civil, criminal, administrative, investigative or other, or any appeal therefrom.

(f) **D&O INSURANCE:** means any valid directors' and officers' liability insurance policy, if any, maintained by the Company for the benefit of the Indemnitee.

(g) **DERIVATIVE CLAIM:** has the meaning ascribed thereto in Section 3(b) hereof.

(h) **DETERMINATION:** means a determination, and **DETERMINED** in relation to a matter means a matter which has been determined based on the facts known at the time, by: (i) a majority vote of a quorum of disinterested directors, or (ii) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or, in the event there has been a Change in Control, by the Special Independent Counsel (in a written opinion) selected by the Indemnitee as set forth in Section 6, or (iii) a majority of the disinterested shareholders of the Company, or (iv) a final adjudication by a court of competent jurisdiction.

(i) **EQUITY SECURITY:** shall have the meaning given to such term under Rule 3a11-1 made under the United States Securities Exchange Act of 1934, as in effect on the date hereof.

(j) **EXCLUDED CLAIM:** means any payment for Losses or Expenses in connection with any Claim: (i) based upon or attributable to the Indemnitee gaining in fact any personal profit or advantage to which the Indemnitee is not entitled; or (ii) for the return by the Indemnitee of any remuneration paid to the Indemnitee without the previous approval of the shareholders of the Company which is illegal; or (iii) for an accounting of profits in fact made from the purchase or sale by the Indemnitee of securities of the Company within the meaning of Section 16 of the United States Securities Exchange Act of 1934, as amended, if applicable, or similar provisions of any state law; or (iv) resulting from the Indemnitee's failure to act honestly and in good faith with a view to the best interests of the Company or, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Indemnitee did not have reasonable grounds for believing that the Indemnitee's conduct was lawful; or (v) the payment of which by the Company under this Agreement is not permitted by applicable law.

(k) **EXPENSES:** means any reasonable expenses incurred by the Indemnitee as a result of a Claim or Claims made against the Indemnitee for Indemnifiable Events including, without limitation, legal fees and all other costs, expenses and obligations paid or incurred in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in any Claim relating to any Indemnifiable Event.

- (l) FINE: means any fine, penalty or, with respect to an employee benefit plan, any excise tax or penalty assessed with respect thereto.
- (m) INDEMNIFIABLE EVENT: means any event or occurrence, occurring prior to or after the date of this Agreement, related to the fact that the Indemnitee is or was a director, officer, employee, trustee, agent or fiduciary of the Company or is or was serving at the request of the Company as a director, officer, employee, trustee, agent or fiduciary of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, or by reason of anything done or not done by the Indemnitee, including, but not limited to, any breach of duty, neglect, error, misstatement, misleading statement, omission, or other act done or wrongfully attempted by the Indemnitee, or any of the foregoing alleged by any claimant, in any such capacity.
- (n) LOSSES: means any amounts or sums which the Indemnitee is legally obligated to pay as a result of a Claim or claims made against the Indemnitee for Indemnifiable Events including, without limitation, damages, judgments and sums or amounts paid in settlement of a Claim or Claims, and Fines.
- (o) PERSON: means any individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.
- (p) POTENTIAL CHANGE IN CONTROL: shall be deemed to have occurred if (A) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control; (B) any Person (including the Company) publicly announces an intention to take or to consider taking actions which if consummated would constitute a Change in Control; or (C) the Board of Directors adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.
- (q) RELATIVE: means Person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law.
- (r) REVIEWING PARTY: means any appropriate person or body consisting of a member or members of the Company's Board of Directors or any other person or body appointed by the Board (including the Special Independent Counsel referred to in Section 6) who is not a party to the particular Claim for which the Indemnitee is seeking indemnification.
- (s) SPECIAL INDEPENDENT COUNSEL: has the meaning ascribed thereto in Section 6 hereof.
- (t) SUBSIDIARY: means any corporation of which a majority of any class of Equity Security is owned, directly or indirectly, by the Company.
- (u) TRUST: means the trust established pursuant to Section 7 hereof.
- (v) VOTING SHARES: means any issued and outstanding shares in the capital of the Company which are entitled to be voted generally in the election of directors.

2. BASIC INDEMNIFICATION AGREEMENT. In consideration of, and as an inducement to, the Indemnitee rendering valuable services to the Company, in the event the Indemnitee is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, a Claim by reason of (or arising in part out of) an Indemnifiable Event, the Company hereby indemnifies the Indemnitee to the fullest extent authorized by law, against any and all Expenses and Losses (including all interest, assessments, and other charges paid or payable in connection with or in respect of such Expenses and Losses) of such Claim, whether or not such Claim proceeds to judgment or is settled or otherwise is brought to final disposition, subject in each case, to the further provisions of this Agreement.

3. LIMITATIONS OF INDEMNIFICATION.

(a) Notwithstanding the provisions of Section 2, the Indemnitee shall not be indemnified and hold harmless from any Losses or Expenses (i) which have been Determined, as provided herein, to constitute an Excluded Claim; (ii) to the extent the Indemnitee is indemnified by the Company and has actually received payment pursuant to D&O Insurance or otherwise; or (iii) unless otherwise entitled pursuant to the last sentence of Section 4(d) or Section 14, or unless the Company has joined in or the Board of Directors has authorized such Claim, in connection with any Claim initiated by the Indemnitee.

(b) The Indemnitee acknowledges that for so long as the Company is a CBCA corporation, with respect to a Claim brought by or in the right of the Company (a "Derivative Claim"), the Indemnitee may not be indemnified and held harmless from any Losses or Expenses incurred therewith unless previously approved by a "court" (as defined under the CBCA) if such court approval is required under the CBCA. The Company agrees to promptly seek such approval, if so required, with respect to all Derivative Claims which are not Determined to be Excluded Claims.

4. INDEMNIFICATION PROCEDURES.

(a) Promptly after receipt by the Indemnitee of notice of any Claim, the Indemnitee shall, if indemnification with respect thereto may be sought from the Company under this Agreement, notify the Company of the commencement thereof and the Indemnitee agrees further not to make any admission or effect any settlement with respect to such Claim without the consent of the Company, except any Claim with respect to which the Indemnitee has undertaken the defense in accordance with the second to last sentence of Section 4(d).

(b) If, at the time of the receipt of such notice, the Company has D&O Insurance in effect, the Company shall give prompt notice of the commencement of Claim to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all Losses and Expenses payable as a result of such Claim.

(c) To the extent that the Company does not, at the time of the Claim have applicable D&O Insurance, or if a Determination is made that any Expenses arising out of such Claims will not be

payable under the D&O Insurance then in effect, the Company shall be obligated, subject to Section 4(f), to pay the Expenses of any claim in advance of the final disposition thereof and the Company, if appropriate, shall be entitled to assume the defense of such Claim, with counsel satisfactory to the Indemnitee, upon the delivery to the Indemnitee of written notice of its election so to do. After delivery of such notice, the Company will not be liable to the Indemnitee under this Agreement for any legal or other Expenses subsequently incurred by the Indemnitee in connection with such defense other than reasonable Expenses of investigation; provided that the Indemnitee shall have the right to employ the Indemnitee's counsel in such Claims but the fees and expenses of such counsel incurred after delivery of notice from the Company of its assumption of such defense shall be at the Indemnitee's expense; provided further that if: (i) the employment of counsel by the Indemnitee has been previously authorized by the Company; (ii) the Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and the Indemnitee in the conduct of any such defense; or (iii) the Company shall not, in fact, have employed counsel to assume the defense of such action, the reasonable fees and expenses of counsel shall be at the expense of the Company.

(d) Subject to Section 4(f), all payments on account of the Company's indemnification obligations under this Agreement shall be made within 60 days of the Indemnitee's written request therefor unless a Determination is made that the Claims giving rise to the Indemnitee's request are Excluded Claims or otherwise not payable under this Agreement, provided that all payments on account of the Company's obligation to pay Expenses under Section 4(c) of this Agreement prior to final disposition of any Claim shall be made within 20 days of the Indemnitee's written request therefor and such obligation shall not be subject to any such Determination but shall be subject to Section 4(e) of this Agreement. In the event the Company takes the position that the Indemnitee is not entitled to indemnification in connection with the proposed settlement of any claim, the Indemnitee shall have the right at its own expense to undertake the defense of any such claim, insofar as such proceeding involves Claims against the Indemnitee, by written notice given to the Company within 10 days after the Company has notified the Indemnitee in writing of its contention that the Indemnitee is not entitled to indemnification. If it is subsequently determined in connection with such proceeding that the Indemnifiable Events are not Excluded Claims and that the Indemnitee, therefore, is entitled to be indemnified under the provisions of Section 2 hereof, the Company shall promptly indemnify the Indemnitee.

(e) The Indemnitee hereby expressly undertakes and agrees to promptly reimburse the Company for all Losses and Expenses paid by the Company in connection with any Claim against the Indemnitee in the event and only to the extent that a Determination shall have been made by a court of competent jurisdiction in a decision from which there is no further right to appeal that the Indemnitee is not entitled to be indemnified by the Company for such Losses and Expenses because the Claim is an Excluded Claim or because the Indemnitee is otherwise not entitled to payment under this Agreement.

(f) Notwithstanding any other provision of this Section 4 or of Section 7, but subject to Section 13, the Indemnitee acknowledges that for so long as the Company is a CBCA corporation, neither the Company nor the Trustee (as such term is defined in Section 7), as the case may be, shall be obligated to pay the Indemnitee for any Expenses or Losses associated with a Derivative Claim until the payment of such Expenses or Losses has been approved by a "court" (as defined under the CBCA) if such court approval is required under the CBCA. Upon such approval, if so required, being given,

the Company agrees to pay (or in the case of the Trustee, shall be permitted to pay) the Indemnitee forthwith for such Expenses and Losses.

5. **SETTLEMENT.** The Company shall have no obligation to indemnify the Indemnitee under this Agreement for any amounts paid in settlement of any Claim effected without the Company's prior written consent. The Company shall not settle any Claim in which it takes the position that the Indemnitee is not entitled to indemnification in connection with such settlement without the consent of the Indemnitee, nor shall the Company settle any Claim in any manner which would impose any Fine or any obligation on the Indemnitee without the Indemnitee's written consent. Neither the Company nor the Indemnitee shall unreasonably withhold their consent to any proposed settlement.

6. **CHANGE IN CONTROL: EXTRAORDINARY TRANSACTIONS.** The Company and the Indemnitee agree that if there is a Change in Control of the Company (other than a Change in Control which has been approved by a majority of the Company's Board of Directors who were directors immediately prior to such Change in Control) then all Determinations thereafter with respect to the rights of the Indemnitee to be paid Losses and Expenses under this Agreement shall be made only by a special independent counsel (the "Special Independent Counsel") selected by the Indemnitee and approved by the Company (which approval shall not be unreasonably withheld) or by a court of competent jurisdiction. The Company shall pay the reasonable fees of such Special Independent Counsel and shall indemnify such Special Independent Counsel against any and all reasonable expenses (including reasonable attorney's fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

The Company covenants and agrees that, in the event of a Change in Control of the sort set forth in clause (B) of Section 1(c), the Company will use its best efforts (a) to have the obligations of the Company under this Agreement including, but not limited to those under Section 7, expressly assumed by the surviving, purchasing or succeeding entity, to (b) otherwise to adequately provide for the satisfaction of the Company's obligations under this Agreement, in a manner reasonably acceptable to the Indemnitee.

7. **ESTABLISHMENT OF TRUST.** In the event of a Potential Change in Control, the Company shall upon written request by the Indemnitee, create a trust (the "Trust") for the benefit of the Indemnitee and from time to time upon written request of the Indemnitee shall fund the Trust in an amount sufficient to satisfy any and all Losses and Expenses which are actually paid or which the Indemnitee reasonably determines from time to time may be payable by the Company under this Agreement. The amount or amounts to be deposited in the Trust pursuant to the foregoing funding obligation shall be determined by the Reviewing Party, in any case in which the Special Independent Counsel is involved. The terms of the Trust shall provide that upon a Change in Control:

(i) the Trust shall not be revoked or the principal thereof withdrawn without the written consent of the Indemnitee; (ii) the trustee of the Trust (the "Trustee") shall advance, within 20 days of a request by the Indemnitee, any and all Expenses to the Indemnitee (and the Indemnitee hereby agrees to reimburse the Trust under the circumstances under which the Indemnitee would be required to reimburse the Company under Section 4(e) of this Agreement); (iii) the Company shall continue to fund the Trust from time to time in accordance with the funding obligations set forth above; (iv) the Trustee shall promptly pay to the Indemnitee all Losses and Expenses for which the Indemnitee shall be entitled to indemnification

pursuant to this Agreement; and (v) all unexpected funds in the Trust shall revert to the Company upon a final determination by a court of competent jurisdiction in a final decision from which there is no further right of appeal that the Indemnitee has been fully indemnified under the terms of this Agreement. The Trustee shall be chosen by the Indemnitee.

8. NO PRESUMPTION. For purposes of this Agreement, the termination of any Claim by judgment, order, settlement (whether with or without court approval) or conviction shall not, of itself, create a presumption that the Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law.

9. NON-EXCLUSIVITY, ETC. The rights of the Indemnitee hereunder shall be in addition to any other rights the Indemnitee may have under the Company's By-Laws, the CBCA, any other applicable law or any vote of shareholders or disinterested directors or otherwise, both as to action in the Indemnitee's official capacity and as to action in any other capacity by holding such office, and shall continue after the Indemnitee ceases to serve the Company as a director, officer, employee, agent or fiduciary, for so long as the Indemnitee shall be subject to any Claim by reason of (or arising in part out of) an Indemnifiable Event. To the extent that a change in the CBCA the provisions of, or any other applicable law, permits greater indemnification by agreement than would be afforded currently under the Company's By-Laws and this Agreement, it is the intent of the parties hereto that the Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change.

10. LIABILITY INSURANCE. To the extent the Company maintains an insurance policy or policies providing directors' and officers' liability insurance, the Indemnitee, if an officer or director of the Company, shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any director or officer of the Company.

11. SUBROGATION. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such right, including the execution of such documents necessary to enable the Company to effectively bring suit to enforce such rights.

12. PARTIAL INDEMNITY. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses and Losses of a Claim but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify the Indemnitee for the portion thereof to which the Indemnitee is entitled.

13. INDEMNITY AS OF RIGHT. Notwithstanding any other provision of this Agreement, to the extent that the Indemnitee has been substantially successful on the merits in the defense of a Claim relating in whole or in part to any Indemnifiable Event or in defense of any issue or matter therein and the Indemnitee

a) acted honestly and in good faith with a view to the best interests of the Company and,

b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful,

the Indemnitee shall be indemnified against all Expenses of the Claim incurred in connection therewith.

14. **LIABILITY OF THE COMPANY.** The Indemnity agrees that neither the shareholders nor the directors nor any officer, employee, representative or agent of the Company shall be personally liable for the satisfaction of the Company's obligations under this Agreement and the Indemnitee shall look solely to the assets of the Company for satisfaction of any claims hereunder.

15. **ENFORCEMENT.**

(a) The Indemnitee's right to indemnification and other rights under this Agreement shall be specifically enforceable by the Indemnitee only in any "court" (as defined in the CBCA) or in any superior court of any state of the United States and shall be enforceable notwithstanding any adverse Determination by the Company's Board of Directors, independent legal counsel, the Special Independent Counsel or the Company's shareholders and no such Determination shall create a presumption that the Indemnitee is not entitled to be indemnified hereunder. In any such action the Company shall have the burden of proving that indemnification is not required under this Agreement.

(b) In the event that any action is instituted by the Indemnitee under this Agreement, or to enforce or interpret any of the terms of this Agreement, the Indemnitee shall be entitled to be paid all court costs and reasonable expenses, including reasonable counsel fees, incurred by the Indemnitee with respect to such action, unless the court determines that each of the material assertions made by the Indemnitee as a basis for such action were not made in good faith or were frivolous.

16. **SEVERABILITY.** In the event that any provision of this Agreement is determined by a court of competent jurisdiction to require the Company to do or to fail to do an act which is in violation of applicable law, such provision (including any provision within a single section, paragraph or sentence) shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, such provision and the balance of this Agreement shall be enforceable in accordance with their terms to the fullest extent permitted by law.

17. **APPLICABLE LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado applicable to agreements made and to be performed entirely within such state.

18. **CONSENT TO JURISDICTION.** The Company and the Indemnitee each hereby irrevocably consent to the jurisdiction of any court mentioned in Section 15(a) for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement and agree that any action instituted under this Agreement shall be brought only in any such court.

19. **NOTICES.** All notices, or other communications required or permitted hereunder shall be sufficiently given for all purposes if in writing and personally delivered, telegraphed, telexed, sent by

facsimile transmission or sent by registered or certified mail, return receipt requested, with postage prepaid addressed as follows, or to such address of which the parties shall have given notice pursuant hereto:

(a) If to the Company, to:

1660 Lincoln Street
Denver, Colorado 80264

Attention: Corporate Secretary

(b) If to the Indemnitee, at the address indicated below.

20. COUNTERPARTS. This Agreement may be signed in counterparts, each of which shall be an original and all of which, when taken together, shall constitute one and the same instrument.

21. SUCCESSORS AND ASSIGNS. This Agreement shall be (i) binding upon all successors and assigns of the Company, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company, and (ii) shall be binding upon and inure to the benefit of the heirs, and personal or legal representatives of the Indemnitee.

22. AMENDMENT: WAIVER. No amendment, modification, termination or cancellation of this Agreement shall be effective unless made in a writing signed by both parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

IN WITNESS WHEREOF, the Company and the Indemnitee have executed this Agreement as of the day and year first above written.

GOLDEN STAR RESOURCES LTD.

[NAME OF INDEMNITEE]

By: _____

By: _____

Witness Witness

EXHIBIT 10.4

Summary of Severance Arrangements

Golden Star Resources Ltd. has arrangements with Richard Q. Gray, Senior Vice President and Chief Operating Officer, and Allan J. Marter, the Company's Senior Vice President and Chief Financial Officer, regarding severance to be paid under certain circumstances. Under these arrangements, Mr. Gray's or Mr. Marter's employment can be terminated by the Company upon three-months written notice or, at the Company's option, upon payment of a lump sum equal to three months salary.

If Mr. Gray's or Mr. Marter's employment is terminated in the event of a change in control of the Company, he is entitled to payment of a lump sum equal to three months salary plus one additional month's salary for each full year of employment by the Company. "Change in control" is defined to include:

- (i) the acquisition by any person of a sufficient number of the outstanding voting securities of the Company to materially affect the control of the Company;
- (ii) a majority of the Board of the Company shall be individuals who are not nominated by the Board of the Company;
- (iii) merger or consolidation of the Company with any person (and the Company is not the surviving corporation);
- (iv) all or substantially all of the assets of the Company are acquired by another person; or
- (v) Mr. Gray's or Mr. Marter's respective office, station or duties are materially reduced or adversely changed as a result of the occurrence of one of the events mentioned above.