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

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of July 2016

Commission File Number 001-12284

GOLDEN STAR RESOURCES LTD.

(Translation of registrant's name into English)

150 King Street West
Suite 1200
Toronto, Ontario
M5H 1J9, Canada
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☐ Form 40-F ☑

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☑

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): ____

INCORPORATION BY REFERENCE

This Report on Form 6-K is incorporated by reference in the Registration Statements on Form S-8 of the Registrant as each may be amended from time to time (File Nos. 333-105820, 333-105821, 333-118958, 333-169047, 333-175542 and 333-211926) and Form F-10, as may be amended from time to time (File No. 333-196906) to the extent not superseded by documents or reports subsequently filed by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, in each case as amended.

SIGNATURES

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, thereunto duly authorized.

GOLDEN STAR RESOURCES LTD.

Date: July 25, 2016

(signed) André van Niekerk

André van Niekerk
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit	Description of Furnished Exhibit
99.1	Management's Discussion and Analysis for the three and six months ended June 30, 2016
99.2	Condensed Interim Consolidated Financial Statements for the three and six months ended June 30, 2016 and June 30, 2015
99.3	Form 52-109F2 - Certification of Interim Filing - CEO
99.4	Form 52-109F2 - Certification of Interim Filing - CFO

GOLDEN STAR

Management's Discussion and Analysis

For the Three and Six Months Ended June 30, 2016

TABLE OF CONTENTS

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of Golden Star Resources Ltd. and its subsidiaries("Golden Star" or "the Company" or "we" or "our"). This Management’s Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with the Company's audited consolidated financial statements and related notes for the years ended December 31, 2015 and the unaudited condensed interim consolidated financial statements and related notes for the three and six months ended June 30, 2016 , which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A includes information available to, and is dated, July 25, 2016 . Unless noted otherwise, all currency amounts are stated in U.S. dollars and all information presented in this MD&A is prepared in accordance with IFRS.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains “forward-looking information” within the meaning of applicable Canadian securities laws and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, concerning the business, operations and financial performance and condition of Golden Star. Generally, forward-looking information and statements can be identified by the use of forward-looking terminology such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes” or variations of such words and phrases (including negative or grammatical variations) or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative connotation thereof. Forward-looking information and statements in this MD&A include, but are not limited to, information or statements with respect to: production and cash operating costs for 2016; the achievement of full year guidance at Wassa and Prestea; the timing for transforming Wassa and Prestea into lower cost producers; the impact of the brownfield underground development projects at Wassa and Prestea on the Company; the ability of the Company to transform into a reliable and stable low cost producer when both underground projects are in full production and the timing for such production; sustaining and development capital expenditures for 2016; the change to mechanized shrinkage mining at Prestea Underground mine and the safety and efficiency of mechanized shrinkage mining at Prestea Underground mine; the timing for mechanical and electrical rehabilitation work, as well as pre-development and development work and timing of stoping and processing rate at Prestea Underground mine; the timing of and amount of production from each of Wassa Underground mine and Prestea Underground; future work to be completed at Wassa Underground Mine, including the rate of decline advances during the remainder of 2016 and accessing the B Shoot; expected funding under the Streaming Agreement (as defined herein); the sources of funds available to the Company and the sufficiency thereof to fund operations and capital expenditures for the development of Wassa Underground and Prestea Underground mines; the timing and amount of payments to be received under the Streaming Agreement; working capital, debt repayments and requirements for additional capital; the availability of power from the Company’s electricity provider or from other sources; and the ability of the Company to repay the 5% Convertible Debentures when due or to restructure them or make alternate arrangements.

Forward-looking information and statements are made based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performance or achievements of Golden Star to be materially different from future results, performance or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which Golden Star will operate in the future, including the price of gold, anticipated costs and ability to achieve goals. Certain important factors that could cause actual results, performances or achievements to differ materially from those set forth in the forward-looking information and statements include, among others, gold price volatility, discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries, mining operational and development risks, litigation risks, liquidity risks, suppliers suspending or denying delivery of products or services, regulatory restrictions (including environmental regulatory restrictions and liability), actions by governmental authorities (including changes in taxation), currency fluctuations, the speculative nature of gold exploration, the global economic climate, dilution, share price volatility, the availability of capital on reasonable terms or at all, local and community impacts and issues, results of pending or future feasibility studies, competition, loss of key employees, additional funding requirements and defective title to mineral claims or property. Although Golden Star has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those described in forward-looking information and statements, there may be other factors that cause actual results, performance or achievements not to be as anticipated, estimated or intended.

Forward-looking information and statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results, performance or achievements of Golden Star to be materially different from those expressed or implied by such forward-looking information and statements, including but not limited to: risks related to international operations, including economic and political instability in foreign jurisdictions in which Golden Star operates; risks related to current global financial conditions; actual results of current exploration activities; environmental risks; future prices of gold; possible variations in mineral reserves and mineral resources, grade or recovery rates; mine development and operating risks; an inability to obtain power for operations on favourable terms or at all; mining plant or equipment breakdowns or failures; an inability to obtain products or services for operations or mine development from vendors and suppliers on reasonable terms, including pricing, or at all; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; risks related to indebtedness and the service of such indebtedness, as well as those factors discussed in the section entitled “Risk Factors” in Golden Star's Annual Information Form for the year ended December 31, 2015. Although Golden Star has attempted to identify important factors that could cause actual results, performances and achievements to differ materially from those contained in forward-looking information and statements, there may be other factors that cause results, performance and achievements not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results, performance, and achievements and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information and statements. Forward-looking information and statements are made as of the date hereof and accordingly are subject to change after such date. Except as otherwise indicated by Golden Star, these statements do not reflect the potential impact of any non-recurring or other special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date hereof. Forward-looking information and statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of the Company's operating environment. Golden Star does not undertake to update any forward-looking information and statements that are included in this MD&A, except as required by applicable securities laws.

CAUTIONARY NOTE REGARDING RESERVES AND RESOURCES

Scientific and technical information contained in this MD&A was reviewed and approved by Dr. Martin Raffield, Senior Vice- President, Technical Services for Golden Star who is a “qualified person” as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects (“NI 43-101”) and by S. Mitchel Wasel, BSc Geology who is a Qualified Person pursuant to NI 43-101. Mr. Wasel is Vice President Exploration for Golden Star and an active member of the Australasian Institute of Mining and Metallurgy. All mineral reserves and mineral resources have been calculated in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) and in compliance with the requirements of NI 43-101. All mineral resources are reported inclusive of mineral reserves. Mineral resources which are not mineral reserves have not demonstrated economic viability. Information on data verification performed on, and other scientific and technical information relating to, the mineral properties mentioned in this MD&A that are considered to be material mineral properties of the Company are contained in Golden Star's Annual Information Form for the year ended December 31, 2015 and the following current technical reports for those properties available at www.sedar.com: (i) Wassa - "NI 43-101 Technical Report on feasibility study of the Wassa open pit mine and underground project in Ghana” effective date December 31, 2014; (ii) Bogoso - “NI 43-101 Technical Report on Resources and Reserves Golden Star Resources Ltd., Bogoso Prestea Gold Mine, Ghana” effective date December 31, 2013; and (iii) Prestea Underground - “NI 43-101 Technical Report on a Feasibility Study of the Prestea Underground Gold Project in Ghana" effective date November 3, 2015.

Cautionary Note to U.S. Investors

This MD&A has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ materially from the requirements of United States securities laws applicable to U.S. companies. Information concerning our mineral properties has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of the Securities and Exchange Commission (the “SEC”) set forth in Industry Guide 7. Under the SEC's Industry Guide 7, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time of the reserve determination, and the SEC does not recognize the reporting of mineral deposits which do not meet the SEC Industry Guide 7 definition of “Reserve”. In accordance with NI 43-101, the terms “mineral reserve”, “proven mineral reserve”, “probable mineral reserve”, “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in accordance with CIM standards. While the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are recognized and required by NI 43-101, the SEC does not recognize them. You are cautioned that, except for that portion of mineral resources classified as mineral reserves, mineral resources do not have demonstrated economic viability. Inferred mineral resources have a high degree of uncertainty as to their existence and as to whether they can be economically or legally mined. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Therefore, you are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded to a higher category. Likewise, you are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be upgraded into mineral reserves.

OVERVIEW OF GOLDEN STAR

Golden Star is an established gold producer that holds a 90% interest in the Wassa and Bogoso/Prestea gold mines in Ghana. The Company is pursuing brownfield underground development projects at its Wassa and Prestea mines that are expected to transform the Company into a reliable and stable low cost producer when both projects are in full production expected by the end of 2017. The Company is a reporting issuer or the equivalent in all provinces of Canada, in Ghana and in the United States, and files disclosure documents with securities regulatory authorities in Canada, Ghana and with the SEC in the United States.

SUMMARY OF OPERATING AND FINANCIAL RESULTS

		Three Months Ended June 30,		Six Months Ended June 30,	
OPERATING SUMMARY		**2016**	**2015**	**2016**	**2015**
Wassa gold sold	oz	21,092	24,829	51,978	48,023
Bogoso/Prestea gold sold	oz	20,912	30,303	42,694	70,354
Total gold sold	oz	42,004	55,132	94,672	118,377
Total gold produced	oz	42,461	55,132	95,677	118,377
Average realized gold price	$/oz	1,225	1,193	1,189	1,202
Cash operating cost per ounce - Wassa [1]	$/oz	975	918	815	1,015
Cash operating cost per ounce - Bogoso/Prestea [1]	$/oz	943	1,273	841	1,133
Cash operating cost per ounce [1]	$/oz	959	1,113	826	1,085
All-in sustaining cost per ounce [1]	$/oz	1,185	1,274	1,016	1,250
FINANCIAL SUMMARY					
Gold revenues	$'000	51,457	65,796	112,524	142,315
Cost of sales excluding depreciation and amortization	$'000	42,956	78,738	84,014	150,941
Depreciation and amortization	$'000	4,136	13,175	9,932	24,760
Mine operating margin/(loss)	$'000	4,365	(26,117)	18,578	(33,386)
General and administrative expense	$'000	8,645	4,829	15,867	8,461
Loss on fair value of financial instruments	$'000	18,071	1,266	20,278	5,002
Net loss attributable to Golden Star shareholders	$'000	(22,034)	(61,503)	(19,983)	(74,630)
Adjusted net earnings/(loss) attributable to Golden Star shareholders [2]	$'000	1,433	(15,727)	9,971	(24,153)
Loss per share attributable to Golden Star shareholders - basic and diluted	$/share	(0.08)	(0.24)	(0.08)	(0.29)
Adjusted earnings/(loss) per share attributable to Golden Star shareholders - basic and diluted [2]	$/share	0.01	(0.07)	0.04	(0.09)
Cash provided by/(used in) operations	$'000	6,123	(2,664)	7,051	2,174
Cash provided by/(used in) operations before working capital changes [3]	$'000	19,293	(18,090)	30,060	(19,511)
Cash provided by/(used in) operations per share - basic and diluted	$/share	0.02	(0.01)	0.03	0.01
Cash provided by/(used in) operations before working capital changes per share - basic and diluted	$/share	0.07	(0.03)	0.12	(0.08)
Capital expenditures	$'000	23,007	12,754	38,921	25,536

[1] See "Non-GAAP Financial Measures" below for a reconciliation of cash operating cost per ounce and all-in sustaining cost per ounce to cost of sales before depreciation and amortization.

[2] See "Non-GAAP Financial Measures" below for a reconciliation of adjusted net loss attributable to Golden Star shareholders and adjusted earnings/(loss) per share attributable to Golden Star shareholders to net earnings/(loss) attributable to Golden Star shareholders and net loss per share attributable to Golden Star shareholders.

[3] See "Non-GAAP Financial Measures" below for an explanation of the calculation of cash provided by operations before working capital changes.

- **Gold sales of 42,004 ounces in the second quarter of 2016 were 24% lower than the 55,132 ounces sold in the same period in 2015 .** Gold sales in the second quarter decreased by 24% compared to the same period in 2015 due to less tonnes mined and processed as well as lower grade at both operations. Bogoso/Prestea gold sales decreased by 31% in the second quarter of 2016 compared to the same period in 2015 as a result of lower plant throughput as the high cost, high power consuming refractory operation at Bogoso was not suspended until the end of the third quarter of 2015. Production in the second quarter of 2016 was exclusively from the lower cost Prestea non-refractory operation, resulting in the decline in ounces compared to the same period in prior year. For the six months ended June 30, 2016 , gold sales of 94,672 ounces were 20% lower than the 118,377 ounces sold in the same period in 2015, due to the lower throughput in both operations, primarily as a result of suspending the high cost refractory operation at Bogoso in the third quarter of 2015. Wassa gold sales decreased by 15% in the second quarter due to a 15% decrease in processed grade as well as a scheduled plant shutdown.
- **Consolidated cash operating cost per ounce was $959 in the second quarter of 2016 , 14% lower than $1,113 in the same period in 2015 .** Wassa achieved cash operating cost per ounce of $975 in the second quarter of 2016 compared to $918 in the same period in 2015 . The higher cash operating cost per ounce at Wassa was due to a 15% decrease in gold sold in the second quarter of 2016 compared to the same quarter in 2015. Bogoso/Prestea's cash operating cost per ounce was $943 in the second quarter of 2016 , compared to $1,273 in the same period in 2015 . The lower cash operating cost per ounce was a result of lower costs due to exclusively mining and processing Prestea oxide ore through the non-refractory plant, which commenced in the third quarter of 2015. During the second quarter of 2015, 85% of the Bogoso/Prestea production came from the high cost Bogoso refractory operation, which was suspended in the third quarter of 2015. For the six months ended June 30, 2016 , consolidated cash operating cost per ounce was $826 , a 24% decline compared to $1,085 in the same period in 2015 due to the suspension of the high cost refractory plant at Bogoso/Prestea.
- **Gold revenues totaled $51.5 million in the second quarter of 2016 , compared to $65.8 million in the same period in 2015 .** The decline in gold revenues was a result of fewer ounces sold, slightly offset by a higher realized gold price in the second quarter of 2016 as compared to the same period in 2015 . The decline in ounces sold at Bogoso/Prestea was primarily a result of suspending the high cost, high power consuming refractory operation at Bogoso in the third quarter of 2015, in favour of the lower cost Prestea non-refractory operation. The decline in ounces sold at Wassa was a result of a scheduled plant shutdown at the beginning of the second quarter of 2016. For the six months ended June 30, 2016 , gold revenue totaled $112.5 million , a 21% decline compared to $142.3 million in the same period in 2015 due primarily to the suspension of the refractory operation at Bogoso.
- **Cost of sales excluding depreciation and amortization in the second quarter of 2016 totaled $43.0 million compared to $78.7 million in the same period in 2015 .** For the six months ended June 30, 2016 , cost of sales excluding depreciation and amortization totaled $84.0 million compared to $150.9 million in the same period in 2015. The decrease in cost of sales excluding depreciation and amortization for both the three and six months ended June 30, 2016 were due primarily to a decrease in mine operating expenses at the Bogoso/Prestea mine. Lower mine operating expenses were a result of exclusively mining and processing lower cost Prestea oxide ore through the non-refractory plant as compared to processing primarily through the higher cost refractory plant in 2015. The most significant savings at Bogoso/Prestea were achieved in reducing processing costs by over $20 million per quarter compared to 2015 due to the suspension of the refractory operation. Additionally, Bogoso incurred $13.0 million of severance charges in the second quarter of 2015 as compared to $nil in 2016, resulting in significant savings.
- **Depreciation and amortization expense totaled $4.1 million in the second quarter of 2016 compared to $13.2 million in the same period in 2015 .** For the six months ended June 30, 2016 , depreciation and amortization totaled $9.9 million compared to $24.8 million in the same period in 2015. The decrease in depreciation and amortization expense for both the three and six months ended June 30, 2016 were primarily a result of the lower production and higher reserve and resource estimates at the Bogoso/Prestea operation compared to prior year.
- **General and administrative costs totaled $8.6 million in the second quarter of 2016 , compared to $4.8 million in the same period in 2015** . For the six months ended June 30, 2016 , general and administrative costs totaled $15.9 million compared to $8.5 million in the same period in 2015. The increase was due to the higher non-cash share based compensation accrued for the three and six months ended June 30, 2016, compared to the same periods in 2015, as result of a significant improvement in the Company's share price. Non-cash share based compensation expenses were $5.4 million and $9.7 million respectively for the three and six months ended June 30, 2016, compared to $1.5 million and $2.1 million respectively for the three and six months ended June 30, 2015. General and administrative costs excluding non-cash share-based compensation costs totaled $3.2 million and $6.1 million are $0.1 million and $0.3 million lower respectively for the three and six months ended June 30, 2016 compared to prior year.
- **The Company recorded $18.1 million of fair value losses on financial instruments in the second quarter of 2016 compared to fair value losses of $1.3 million in the same period in 2015 .** The fair value loss in the second quarter of 2016 was comprised of $15.2 million non-cash revaluation loss on the 5% Convertible Debentures, $0.9 million non-cash revaluation loss on warrants, $1.5 million non-cash revaluation loss on forward and collar contracts and $0.5 million realized loss on

settled forward and collar contracts. The $1.3 million fair value loss recognized in the second quarter of 2015 was a non-cash revaluation loss on the 5% Convertible Debentures. The valuation techniques used for these financial instruments are disclosed in the "Financial Instruments" section of this MD&A. For the six months ended June 30, 2016, the Company recorded $20.3 million of fair value losses on financial instruments compared to $5.0 million for the same period in 2015.

- **Net loss attributable to Golden Star shareholders for the second quarter of 2016 totaled $22.0 million or $0.08 loss per share, compared to a net loss of $61.5 million or $0.24 loss per share for the same period in 2015 .** For the six months ended June 30, 2016, net loss attributable to Golden Star shareholders totaled $20.0 million or $0.08 loss per share, compared to a net loss of $74.6 million or $0.29 loss per share in the same period in 2015. The decrease in net loss attributable to Golden Star shareholders for the three months ended June 30, 2016 were a result of $34.4 million impairment charges recorded in the second quarter of 2015, compared to $nil in 2016, a $30.5 million increase in mine operating margin, offset by a $3.8 million increase in non-cash share-based compensation expense and a $16.8 million increase in non-cash revaluation of financial instruments in 2016. Non-cash revaluation of financial instruments includes the mark-to-market revaluation of the Company's 5% Convertible Debentures, the outstanding warrants and derivative contracts.
- **Adjusted net earnings attributable to Golden Star shareholders (see "Non-GAAP Financial Measures" section) was $1.4 million in the second quarter of 2016 , compared to adjusted net loss attributable to Golden Star shareholders of $15.7 million for the same period in 2015 .** For the six months ended June 30, 2016, adjusted net earnings attributable to Golden Star shareholders (see "Non-GAAP Financial Measures") was $10.0 million compared to adjusted net loss of $24.2 million attributable to Golden Star shareholders in the same period in 2015. The adjusted net earnings attributable to Golden Star shareholders in the three and six months ended June 30, 2016 was principally due to higher mine operating margin compared to same periods in 2015.
- **Cash provided by operations before working capital changes was $19.3 million for the second quarter of 2016 , compared to $18.1 million cash used in operations before working capital changes in the same period in 2015 .** For the six months ended June 30, 2016, cash provided by operations before working capital changes was $30.1 million compared to $19.5 million cash used by operations before working capital changes in the same period in 2015. The increases are primarily attributable to the higher mine operating margins at both operations and the advanced payment received from RGLD pursuant to the Streaming Agreement.
- **Capital expenditures for the second quarter of 2016 totaled $23.0 million compared to $12.8 million in the same period in 2015 .** The major capital expenditures in the second quarter of 2016 at Wassa included $8.4 million of expenditures relating to the development of the Wassa Underground Mine and $2.9 million for the improvement of the tailings storage facility. Capital expenditures at Bogoso/Prestea during the second quarter of 2016 included $7.7 million on expenditures relating to the development of Prestea Underground Mine and $1.2 million on the Prestea Open Pit Mines. For the six months ended June 30, 2016, capital expenditures totaled $38.9 million compared to $25.5 million in the same period in 2015.

OUTLOOK FOR 2016

Production, cost and capital expenditures guidance for 2016 for the Company's operations remains unchanged.

Due to a scheduled plant shut-down at Wassa that was planned for the second quarter of 2016, the production in the second quarter of 2016 was slightly lower than the prior quarter. This resulted in higher cash operating costs per ounce at Wassa in the second quarter of 2016. The Company continues to expect Wassa to achieve the full year guidance. The Company also expects Prestea to achieve full year guidance with both production and costs well within guidance range through the first six months of 2016.

CORPORATE DEVELOPMENTS

Gold prices

Spot gold prices increased from $1,237 per ounce at the end of the first quarter of 2016 to $1,321 per ounce at June 30, 2016. The Company realized an average gold price of $1,225 per ounce for gold sales during the second quarter of 2016, compared to an average realized gold price of $1,193 per ounce for the same period in 2015.

The average gold price realized by the Company was affected by the gold purchase and sale agreement ("Streaming Agreement") entered into with RGLD Gold AG ("RGLD"). Revenue from spot sales during the second quarter of 2016 resulted in an average realized price of $1,265 per ounce whereas revenue recognized from the Stream Agreement resulted in an average realized price of $887 per ounce (see table below). During the second quarter ended June 30, 2016, 4,438 ounces of gold were delivered to RGLD at an average realized gold price of $887 per ounce. Cash proceeds received from RGLD totaled $249 per ounce for the quarter ended June 30, 2016.

	Three Months Ended June 30, 2016			Six Months Ended June 30, 2016		
	$'000	Ounces	Realized price	$'000	Ounces	Realized price
Revenue - Stream arrangement						
Cash proceeds	$ 1,107			$ 2,121		
Deferred revenue recognized	2,831			5,606		
	$ 3,938	4,438	$ 887	$ 7,727	8,788	$ 879
Revenue - Spot sales	47,519	37,565	1,265	104,797	85,884	1,220
Total revenue	$ 51,457	42,003	$ 1,225	$ 112,524	94,672	$ 1,189

Commencement of stoping from Wassa Underground

On July 12, 2016, the Company announced that pre-commercial production has commenced at its Wassa Underground Mine in Ghana as scheduled. The successful blasting of the first stope in the F Shoot of the Wassa Underground took place on July 10, 2016 delivering the first ore from the new underground mine to the Wassa processing plant. The higher grade areas within the B Shoot are expected to be accessed in early 2017.

$20 Million from Streaming Agreement with RGLD

During the quarter ended June 30, 2016, the Company received an advance payment of $20.0 million pursuant to the Streaming Agreement with RGLD. On July 1, 2016, the Company received an additional $20.0 million of scheduled advance payment. The remaining $30.0 million of scheduled advance payments are expected to be received between October 2016 to January 2017.

Equity financing

On May 9, 2016, the Company completed the bought deal transaction of selling 22,750,000 common shares and received net proceeds of $13.7 million.

Settlement of $36.5 Million of Current Account Payable

During the second quarter of 2016, the Company paid $12 million to a significant vendor to settle a portion of the $36.5 million of liability owed to that vendor which had been previously recorded as a current liability. The remaining outstanding balance of $24.5 million has been deferred until January 2018 after which, the outstanding balance will be repaid in equal installments for 24 months with interest of 7.5% that will accrue and be payable beginning in January 2017. The amount of $24.5 million has been recorded as part of long-term debt net of a gain of $2.7 million on remeasurement of the deferral.

Repurchase of 5% Convertible Debentures

During the second quarter of 2016, the Company repurchased $3.6 million principal amount of its 5% Convertible Debentures for $1.8 million that included an interest payment of $0.1 million. As at June 30, 2016, $73.9 million principal amount of the 5% Convertible Debentures remain outstanding and will mature on June 1, 2017.

Forward and collar contracts

During the first quarter of 2016, the Company initiated a gold hedging program to limit its exposure to the fluctuations in the gold price during the development phase of the Wassa Underground and Prestea Underground projects. On July 25, 2016 , the Company has the following outstanding contracts: (i) forward sales contracts for 6,000 ounces (or 1,000 ounces per month from July to December 2016) at a gold price of $1,188 per ounce, and (ii) costless collars on 24,000 ounces with a floor price of $1,125 per ounce and a ceiling price ranging between $1,245 per ounce and $1,325 per ounce for period from July to December 2016. During the second quarter of 2016, the Company realized a loss of $0.5 million on settled contracts.

DEVELOPMENT PROJECTS UPDATE

Wassa Underground development

In March 2015, the results of a Feasibility Study ("FS") on the economic viability of an underground mine operating in conjunction with the existing open pit mine at Wassa were announced and the decision to progress with the construction of the underground mine was affirmed.

Decline development commenced in July 2015. Approximately 2,700 meters of advance was achieved on the Main, Ventilation and F Shoot Access declines by July 24, 2016 (or approximately 1,620 meters from January 1, 2016 to June 30, 2016). Decline development advanced at an average of 9.2 meters per day during the second quarter of 2016, compared to an average of 8.4 meters per day during the first quarter of 2016. The rate of development is expected to increase further in the second half of 2016 as efficiencies improve and more development faces become available.

Successful blasting of the first stope in the F Shoot took place on July 10, 2016, delivering the first stope ore from the new underground mine to the Wassa processing plant. This blast commenced pre-commercial production as expected.

The year to date capital expenditures for this project were $14.6 million including $1.3 million of capitalized interest. Project to date capital expenditures have totaled $36.8 million at June 30, 2016 including $3.8 million of capitalized interest. The Company continues to expect total capital expenditures of approximately $34 million to be incurred at Wassa in 2016.

Prestea

The Prestea mine consists of an underground mine that has been in existence for over 100 years along with adjacent surface deposits. The Prestea mine is located 16 km south of the Bogoso mine and processing plants in the town of Prestea. The underground mine is currently being refurbished and development is expected to commence in the fourth quarter of 2016. A number of high grade surface deposits exist to the south of the underground mine which the Company is currently mining and processing through the non-refractory processing plant.

Prestea Underground

The FS results for the Prestea Underground Mine were reported in December 2015 indicating positive economics using conventional shrinkage mining methods.

In January 2016 an internal study was commenced to investigate changing the proposed FS mining method from conventional shrinkage mining to mechanized shrinkage mining. The study was completed in March 2016 and indicated better economics than conventional shrinkage mining methods.

Based on these improved economic parameters and on expectations for improved safety and efficiency using mechanized shrinkage mining, this method will be used for the extraction of the Prestea West Reef orebody. The change in mining method does not constitute a material change in the economics presented in the FS and the change in mining method has not resulted in any change to the mineral reserves or mineral resources at Prestea Underground.

Construction capital expenditure of $63 million for the underground mine is approved and work is progressing with engineering, procurement, rehabilitation and construction activities. Rehabilitation works along 24 level to improve the track for high-speed haulage and to install new electrical and water supply services is nearing completion.

The winder upgrade is progressing with manufacturing of key electrical and mechanical items, which combined with the shaft rehabilitation, will enable an increase in hoisting capacity to satisfy the production profile in 2017. Significant quantities of electrical equipment for the electrical upgrade have arrived onsite and construction has commenced. Other equipment and material procurement for the project is ongoing and in various phases of manufacturing and delivery to site.

Construction activities continue to advance according to schedule and pre-development of the resource is expected to commence as planned from the fourth quarter of 2016, with stoping expected to start in the second quarter of 2017.

The year to date capital expenditures for this project were $14.6 million including $1.1 million of capitalized interest. Project to date capital expenditures have totaled $20.5 million at June 30, 2016 including $2.3 million of capitalized interest. The Company continues to expect total capital expenditures of approximately $36 million to be incurred at Prestea in 2016.

WASSA OPERATIONS

Through a 90% owned subsidiary Golden Star (Wassa) Limited, the Company owns and operates the Wassa open pit mine, located in the southwestern region of Ghana approximatel y 3 5 kilometers northeast of the town of Tarkwa, Ghana. Wassa has a non-refractory processing plant ("Wassa processing plant") consisting of a carbon-in-leach ("CIL") system with a capacity of 2.7 million tonnes per annum. Ore from the Wassa mine is processed at the Wassa processing plant.

		Three Months Ended June 30,		Six Months Ended June 30,	
		2016	2015	2016	2015
WASSA FINANCIAL RESULTS					
Revenue	$'000	$ 25,649	$ 29,615	$ 61,598	$ 57,727
Mine operating expenses	$'000	23,291	24,412	47,326	49,231
Severance charges	$'000	—	322	113	803
Royalties	$'000	1,361	1,483	3,225	2,889
Operating costs to metals inventory	$'000	(2,733)	(1,621)	(4,968)	(477)
Inventory net realizable value adjustment	$'000	—	721	—	1,524
Cost of sales excluding depreciation and amortization	$'000	21,919	25,317	45,696	53,970
Depreciation and amortization	$'000	3,149	2,841	7,428	6,741
Mine operating margin/(loss)	$'000	$ 581	$ 1,457	$ 8,474	$ (2,984)
Capital expenditures	$'000	13,413	6,979	21,951	17,405
WASSA OPERATING RESULTS					
Ore mined	t	650,989	753,883	1,260,508	1,314,034
Waste mined	t	2,629,485	2,688,452	5,062,691	5,050,234
Ore processed	t	573,760	609,076	1,214,700	1,239,797
Grade processed	g/t	1.16	1.36	1.28	1.28
Recovery	%	94.0	94.1	94.0	93.4
Gold produced	oz	21,543	24,829	52,815	48,023
Gold sold	oz	21,092	24,829	51,978	48,023
Cash operating cost per ounce [1]	$/oz	975	918	815	1,015

[1] See "Non-GAAP Financial Measures" below for a reconciliation of cash operating cost per ounce to cost of sales excluding depreciation and amortization.

Three months ended June 30, 2016 compared to three months ended June 30, 2015

Production

Gold production was 21,543 ounces for the second quarter of 2016 , a 13% decrease from the 24,829 ounces produced during the same period of 2015 as ore processed, ore grade and recovery were lower in the second quarter of 2016. Ore processed was lower due to a scheduled plant shutdown at the beginning of the second quarter.

Gold revenues

Gold revenues were $25.6 million for the second quarter of 2016 , a 13% decrease compared to $29.6 million for the same period in 2015 . The decrease was due to a 15% decrease in ounces of gold sold, offset by an increase in the average realized gold price to $1,216 per ounce in the second quarter of 2016 , compared to $1,193 per ounce for the same quarter in 2015 .

Cost of sales excluding depreciation and amortization

Cost of sales excluding depreciation and amortization was $21.9 million for the second quarter of 2016 , compared to $25.3 million incurred during the same period in 2015 . The lower cost of sales was mainly related to the lower mine operating expenses and higher build up of inventories as a result of less material mined and processed. Additionally, an inventory net realizable value adjustment of $0.7 million and severance charges of $0.3 million were recorded in the second quarter of 2015 compared to $nil in the second quarter of 2016.

Depreciation and amortization

Depreciation and amortization for the second quarter of 2016 totaled $3.1 million , compared to the $2.8 million recorded for the same period in 2015 . The depreciation and amortization in the second quarter of 2016 was impacted by the lower reserve and resource estimates compared to the same period in 2015 .

Cash operating cost per ounce

Cash operating cost per ounce for the second quarter of 2016 totaled $975 , up 6% from $918 in the same period of 2015 . The higher cash operating cost per ounce was mainly due to a 13% decrease in gold sold as a result of a scheduled plant shutdown at the beginning of the second quarter.

Capital expenditures

Capital expenditures for the second quarter of 2016 totaled $13.4 million compared with $7.0 million during the same period in 2015 . Sustaining capital expenditures were $2.0 million for the three months ended June 30, 2016 compared to $1.8 million in the same period of 2015 . Development capital expenditures were $11.4 million for the three months ended June 30, 2016 compared to $5.2 million in the same period in 2015 . Development capital expenditures in the second quarter of 2016 included $8.4 million of expenditures relating to the development of the Wassa Underground Mine and $2.9 million for the improvement of the tailings storage facility.

Six months ended June 30, 2016 compared to six months ended June 30, 2015

Production

Gold production was 52,815 ounces for the six months ended June 30, 2016 , a 10% increase from the 48,023 ounces produced during the same period in 2015 due mainly to higher recovery in the first half of 2016. Throughput and grade processed during the second quarter of 2016 were consistent with the same quarter in 2015.

Gold revenues

Gold revenues were $61.6 million for the six months ended June 30, 2016 , compared to $57.7 million for the same period in 2015 . The increase was due to a 8% increase in ounces of gold sold, offset by decline in the average realized gold price to $1,185 per ounce for the six months ended June 30, 2016 , compared to $1,202 per ounce for the six months ended June 30, 2015 .

Cost of sales excluding depreciation and amortization

Cost of sales excluding depreciation and amortization was $45.7 million for the six months ended June 30, 2016 , compared to $54.0 million incurred during the same period in 2015 . The lower cost of sales was mainly related to the lower mine operating expenses and higher build up of inventories as a result of more material mined.

Depreciation and amortization

Depreciation and amortization for the six months ended June 30, 2016 totaled $7.4 million , compared to $6.7 million recorded for the same period in 2015 . The depreciation and amortization in the first half of 2016 was impacted by the lower reserve and resource estimates compared to the same period in 2015.

Cash operating cost per ounce

Cash operating cost per ounce for the for the six months ended June 30, 2016 totaled $815 , down 20% from $1,015 in the same period of 2015 . The lower cash operating cost per ounce was due to a decline in processing cost per tonne as the electricity tariff was lower and efficiency on cyanide consumption improved.

Capital expenditures

Capital expenditures for the six months ended June 30, 2016 were $22.0 million compared with $17.4 million during the same period in 2015 . Sustaining capital expenditures were $2.9 million for the six months ended June 30, 2016 compared to $4.0 million in the same period in 2015 . Development capital expenditures were $19.1 million for the six months ended June 30, 2016 compared to $13.4 million in the same period in 2015 . Development capital expenditures in the first half of 2016 included $14.6 million of expenditures relating to the development of the Wassa Underground Mine and $4.3 million for the improvement of the tailings storage facility.

BOGOSO/PRESTEA OPERATIONS

Through a 90% owned subsidiary Golden Star (Bogoso/Prestea) Limited, the Company owns and operates the Bogoso gold mining and processing operations and the Prestea mining operations located near the town of Prestea, Ghana. Bogoso/Prestea has a CIL processing facility which is suitable for treating non-refractory gold ore ("Non-refractory plant") with capacity of up to 1.5 million tonnes per annum. Bogoso/Prestea also operated a gold ore processing facility with a capacity of 2.7 million tonnes of ore per annum, which used bio-oxidation technology to treat refractory ore ("Refractory plant"). The Company suspended the refractory operation at the end of the third quarter of 2015.

The Prestea mining operations consists of an existing underground mine, neighbouring open pit deposits and associated support facilities. Bogoso/Prestea currently processes the Prestea open pit ore through the non-refractory plant. Ore feed from the open pit operations commenced in the third quarter of 2015. The Prestea underground mine is currently being refurbished and development commenced in 2016.

		Three Months Ended June 30,		Six Months Ended June 30,	
		2016	2015	2016	2015
BOGOSO/PRESTEA FINANCIAL RESULTS					
Revenue	$'000	$ 25,808	$ 36,181	$ 50,926	$ 84,588
Mine operating expenses	$'000	18,654	35,835	36,066	79,778
Severance charges	$'000	—	13,038	(184)	13,041
Royalties	$'000	1,320	1,810	2,616	4,232
Operating costs from/(to) metals inventory	$'000	1,063	2,738	(180)	(80)
Cost of sales excluding depreciation and amortization	$'000	21,037	53,421	38,318	96,971
Depreciation and amortization	$'000	987	10,334	2,504	18,019
Mine operating margin/(loss)	$'000	$ 3,784	$ (27,574)	$ 10,104	$ (30,402)
Capital expenditures	$'000	9,594	5,775	16,970	8,131
BOGOSO/PRESTEA OPERATING RESULTS					
Ore mined refractory	t	—	427,808	—	1,169,800
Ore mined non-refractory	t	306,157	—	689,334	—
Total ore mined	t	306,157	427,808	689,334	1,169,800
Waste mined	t	1,067,206	664,036	2,212,531	2,103,356
Refractory ore processed	t	—	513,550	—	1,085,356
Refractory ore grade	g/t	—	2.06	—	2.34
Gold recovery - refractory ore	%	—	68.1	—	69.5
Non-refractory ore processed	t	377,636	380,452	739,938	802,018
Non-refractory ore grade	g/t	1.95	0.87	2.07	0.90
Gold recovery - non-refractory ore	%	85.9	43.7	85.1	42.7
Gold produced - refractory	oz	—	25,702	—	60,291
Gold produced - non-refractory	oz	20,918	4,601	42,862	10,063
Gold produced - total	oz	20,918	30,303	42,862	70,354
Gold sold - refractory	oz	—	25,702	—	60,291
Gold sold - non-refractory	oz	20,912	4,601	42,694	10,063
Gold sold - total	oz	20,912	30,303	42,694	70,354
Cash operating cost per ounce [1]	$/oz	943	1,273	841	1,133

[1] See "Non-GAAP Financial Measures" below for a reconciliation of cash operating cost per ounce to cost of sales excluding depreciation and amortization.

Three months ended June 30, 2016 compared to three months ended June 30, 2015

Production

Bogoso/Prestea non-refractory gold production was 20,918 ounces for the second quarter of 2016 , compared to 4,601 ounces for the same period in 2015 due to the commencement of mining and processing of the Prestea oxide ore in the third quarter of 2015. Non-refractory production in the three months ended June 30, 2015 was processed from low grade tailings. Refractory gold production, which was suspended at the end of the third quarter of 2015, produced 25,702 ounces of gold during the second quarter of 2015.

Gold revenues

Gold revenues for the second quarter of 2016 were $25.8 million , down $10.4 million from $36.2 million in the second quarter of 2015 as a result of lower gold production. Gold sold totaled 20,912 ounces in the second quarter of 2016 , down 31% from 30,303 ounces sold in the same period of 2015 due to the suspension of the refractory operation in the third quarter of 2015. The realized gold price increased 3% , averaging $1,234 per ounce in the second quarter of 2016 , compared with $1,194 per ounce in the same period in 2015 .

Cost of sales excluding depreciation and amortization

Cost of sales excluding depreciation and amortization was $21.0 million for the second quarter of 2016 , down from $53.4 million for the same period in 2015 . Mine operating expenses totaled $18.7 million in the second quarter of 2016, 48% lower than the $35.8 million incurred during the same period in 2015 mainly as a result of less material mined and processed due to the suspension of the high cost, high power consuming refractory operation and the $13.0 million of severance charges in the second quarter of 2015.

Depreciation and amortization

Depreciation and amortization expense decreased to $1.0 million for the second quarter of 2016 , compared to $10.3 million for the second quarter of 2015 . The lower depreciation and amortization expense for the second quarter of 2016 was due to lower production in the second quarter of 2016 and higher reserve and resource estimates compared to the same period in 2015.

Cash operating cost per ounce

Cash operating cost per ounce was $943 for the second quarter of 2016 , compared to $1,273 for the same period in 2015 . This 26% decrease in cash operating costs per ounce is due to the change in cost profile at Prestea. Mining and processing costs in the second quarter of 2016 were attributable to the lower cost non-refractory operation whereas 85% of gold sold in the same period in 2015 was attributable to the higher cost, higher power consuming refractory operation.

Capital expenditures

Capital expenditures for the second quarter of 2016 were $9.6 million compared to $5.8 million incurred during the same period in 2015 as a result of an increase in development capital expenditures. Development capital expenditures increased to $8.4 million in the second quarter of 2016 compared to $5.5 million in the same period in 2015 . Development capital expenditures in the second quarter of 2016 were spent on the Prestea Underground Mine.

Six months ended June 30, 2016 compared to six months ended June 30, 2015

Production

Bogoso/Prestea non-refractory gold production was 42,862 ounces for the six months ended June 30, 2016 , compared to 10,063 ounces for the same period in 2015 due to the commencement of mining and processing of the Prestea oxide ore in the third quarter of 2015. Non-refractory production for the six months ended June 30, 2015 was processed from low grade tailings. Refractory gold production, which was suspended at the end of the third quarter of 2015, produced 60,291 ounces of gold during the first half of 2015.

Gold revenues

Gold revenues for the six months ended June 30, 2016 were $50.9 million compared to $84.6 million for the same period in 2015 . Gold sold totaled 42,694 ounces in the six months ended June 30, 2016 , down 39% from 70,354 ounces sold in the same period in 2015 as a result of the suspension of the high cost refractory operation in the third quarter of 2015. The realized gold price was down 1% , averaging $1,193 per ounce in the six months ended June 30, 2016 , compared to $1,202 per ounce in the same period in 2015 .

Cost of sales excluding depreciation and amortization

Cost of sales excluding depreciation and amortization was $38.3 million for the six months ended June 30, 2016 , down from $97.0 million for the same period in 2015 . Mine operating expenses totaled $36.1 million for the six months ended June 30, 2016 , 55%

lower than the $79.8 million incurred during the same period in 2015 mainly as a result of less material mined and processed due to the suspension of the high cost, high power consuming refractory operation.

Depreciation and amortization

Depreciation and amortization expense decreased to $2.5 million for the six months ended June 30, 2016 , compared to $18.0 million for the same period in 2015 . The lower depreciation and amortization expense for the six months ended June 30, 2016 was due to lower production in the first half of 2016 and higher reserve and resource estimates compared to the same period in 2015.

Cash operating cost per ounce

Cash operating cost per ounce was $841 for the six months ended June 30, 2016 , compared to $1,133 for the same period in 2015 . This 26% decrease in cash operating costs per ounce is due to the change in cost profile as a result of mining oxide, non-refractory ore at Prestea compared to refractory ore at Bogoso during 2015. Mining and processing costs in the first half of 2016 were attributable to the lower cost non-refractory operation whereas 86% of gold sold in the same period in 2015 was attributable to the higher cost, higher power consuming refractory operation.

Capital expenditures

Capital expenditures for the six months ended June 30, 2016 were $17.0 million compared to $8.1 million during the same period in 2015 . Development capital expenditures were $14.6 million in the first half of 2016 compared to $7.6 million in the same period in 2015 . Development capital expenditures in the first half of 2016 were all attributable to the Prestea Underground Mine.

SUMMARIZED QUARTERLY FINANCIAL RESULTS

	Three Months Ended,							
(Stated in thousands of U.S dollars except per share data)	**Q2 2016**	**Q1 2016**	**Q4 2015**	**Q3 2015**	**Q2 2015**	**Q1 2015**	**Q4 2014**	**Q3 2014**
Revenues	$ 51,457	$ 61,067	$ 56,420	$ 56,452	$ 65,796	$ 76,519	$ 86,586	$ 77,758
Cost of sales excluding depreciation and amortization	42,956	41,058	39,354	55,199	78,738	72,203	71,410	70,774
Net (loss)/earnings	(22,836)	2,314	14,217	(8,526)	(68,988)	(15,113)	(53,545)	1,165
Net (loss)/earnings attributable to shareholders of Golden Star	(22,034)	2,051	13,781	(6,832)	(61,503)	(13,127)	(48,155)	2,593
Net (loss)/earnings per share attributable to shareholders of Golden Star:								
- Basic and diluted	$ (0.08)	$ 0.01	$ 0.05	$ (0.03)	$ (0.24)	$ (0.05)	$ (0.19)	$ 0.01

LIQUIDITY AND FINANCIAL CONDITION

The Company held $7.6 million in cash and cash equivalents as of June 30, 2016 , down from $35.1 million at December 31, 2015 . An advance payment of $20 million was received from RGLD pursuant to the Streaming Agreement during the second quarter of 2016. The Company received an additional $20 million scheduled advance payment from RGLD on July 1, 2016 . The December 31, 2015 cash balance included the $20 million scheduled advance payment from RGLD on December 31, 2015. On May 9, 2016, the Company completed its previously announced bought deal and received net proceeds of $13.7 million . During the six months ended June 30, 2016 , operations provided $7.1 million , investing activities used $45.0 million and financing activities provided $10.4 million of cash.

Before working capital changes, operations provided $30.1 million of operating cash flow during the six months ended June 30, 2016 , compared to $19.5 million used by operations in the same period in 2015. Cash provided by operations increased primarily due to the $20 million advance payment from RGLD and a higher mine operating margin during the first half of 2016 compared to the same period in 2015.

Working capital used $23.0 million during the first half of 2016, compared to $21.7 million provided by working capital in 2015. The working capital changes in the first half of 2016 related to a $16.0 million decrease in accounts payable and accrued liabilities, a $6.2 million increase in inventory, and a $1.7 million increase in accounts receivable, offset by a $0.9 million increase in prepaid and other. The reduction of accounts payable and accrued liabilities was due to an agreement reached with a vendor whereby the Company paid $12.0 million in cash and agreed with the vendor to defer $24.5 million to be payable in 24 equal monthly installments starting in January 2018.

The working capital deficit increased from $65.8 million at December 31, 2015 to $119.5 million at June 30, 2016 due to the reclassification of the 5% Convertible Debentures to current liabilities as the debentures mature on June 1, 2017.

Investing activities used $45.0 million during the first half of 2016, which included $14.6 million on the development of the Wassa Underground Mine, $14.0 million on the development of the Prestea Underground Mine, $4.3 million on the expansion of the tailings storage facility at Wassa and $2.3 million on the Prestea open pit mines.

Financing activities provided $10.4 million cash in 2016 compared to $6.3 million provided in 2015. During the six months ended June 30, 2016 , the Company received net proceeds of $13.7 million from the bought deal transaction, drew down the remaining $3.0 million on the Ecobank Loan II, made $4.6 million principal repayments of debt and repurchased $3.6 million principal amount of its 5% Convertible Debentures for $1.7 million .

LIQUIDITY OUTLOOK

As of June 30, 2016, the Company had $7.6 million in cash and a working capital deficit of $119.5 million . Excluding the non-cash deferred revenue and the 5% Convertible Debentures that have been reclassified into current liabilities, the working capital deficit was $43.2 million .

In April 2016, the Company bought back $3.6 million principal of the 5% Convertible Debentures, as a result, the outstanding balance has reduced to $73.9 million due on June 1, 2017.

In July 2015, the Company closed the streaming and financing arrangements with Royal Gold, Inc. and its wholly-owned subsidiary RGLD. The Streaming Agreement consists of a $145 million gold stream, of which $115 million (including $20 million received on July 1, 2016) has been received to date. The Company expects to receive a further $30 million in stream payments upon satisfaction of the development progress of the Wassa and Prestea underground mines.

In addition to the cash operating costs, the Company pays a 5% royalty to the Government of Ghana, reclamation expenditures, corporate general and administration expenditures, interest and principal payments on long term debt and capital expenditures.

The Company expects to incur $51 million on capital expenditures during the second half of 2016, of which $48 million is development capital expenditure and $3 million is sustaining capital expenditure. If gold prices fall significantly from current levels the Company could defer some of the development capital expenditure to meet its obligations.

The Company expects that the existing cash balance, the proceeds from the Streaming Agreement combined with the expected mine operating margin will be sufficient to fund operations and capital expenditures as required for the development of the Wassa Underground and the Prestea Underground Mines.

The Company has $73.9 million of 5% Convertible Debentures due on July 1, 2017. On maturity, the Company may, at its option, satisfy the repayment obligation by paying the principal amount of the 5% Convertible Debentures in cash or, subject to certain limitations, by issuing that number of the Company's common shares obtained by dividing the principal amount of the 5% Convertible Debentures outstanding by 95% of the weighted average trading price of the Company's common shares on the NYSE MKT for the 20 consecutive trading days ending five trading days preceding the maturity due date (the "Current Market Price") provided that the aggregate maximum number of common shares to be issued may not exceed 19.99% of the issued and outstanding common shares as of the closing date. If the Company elects to repay the principal amount of the 5% Convertible Debentures at maturity by issuing common shares, and the Company is limited under the terms of the indenture from issuing a number of common shares sufficient to fully repay the 5% Convertible Debentures outstanding at maturity, the Company is required to pay the balance owing in cash, based on the difference between the principal amount of the 5% Convertible Debentures outstanding and the value of the common shares (based on the Current Market Price) delivered in repayment of the 5% Convertible Debentures.

The Company is in the process of assessing the optimal settlement of the Convertible Debentures. Considerations of the optimal settlement will include, expected gold price, the Company's cash balance prior to maturity, the Company's share price prior to maturity and the expected future cash flow generated by operations. Failure by the Company to repay the 5% Convertible Debentures may cause the Company to delay or indefinitely postpone development activities or may cause the Company to suspend or terminate its operations or development activities, any of which could have a material adverse effect on the Company's results of operations and financial conditions.

TABLE OF CONTRACTUAL OBLIGATIONS

	Payment due by period				
(Stated in thousands of U.S dollars)	Less than 1 Year	1 to 3 years	4 to 5 years	More than 5 Years	Total
Accounts payable and accrued liabilities	$ 87,057	$ —	$ —	$ —	$ 87,057
Debt [1]	76,649	11,190	28,392	—	116,231
Finance leases	1,772	3,644	—	—	5,416
Vendor agreement	—	12,266	12,266	—	24,532
Interest on long term debt	3,992	11,638	2,216	—	17,846
Purchase obligations	17,729	—	—	—	17,729
Rehabilitation provisions [2]	4,687	19,512	26,313	31,679	82,191
Total	$ 191,886	$ 58,250	$ 69,187	$ 31,679	$ 351,002

[1] Includes the outstanding repayment amounts from the 5% Convertible Debentures maturing in June 2017, the Ecobank Loan II, the loan from Royal Gold and the equipment financing loans. Golden Star has the right to repay the remaining outstanding principal amount of the 5% Convertible Debentures in cash or in common shares at the due date under certain circumstances provided that the aggregate maximum number of common shares to be issued may not exceed 19.99% of the issued and outstanding common shares as of the closing date unless applicable shareholder and stock exchange approvals have been obtained by the Company. The presentation shown above assumes payment is made in cash and also assumes no conversions of the 5% Convertible Debentures into common shares by the holders prior to the maturity date.

[2] Rehabilitation provisions indicates the expected undiscounted cash flows for each period.

RELATED PARTY TRANSACTIONS

There were no material related party transactions in the six months ended June 30, 2016 and 2015 other than compensation of key management personnel which is presented in the table below. Key management personnel are defined as members of the Board of Directors and certain senior officers. Compensation of key management personnel are made on terms equivalent to those prevailing in an arm's length transaction.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Salaries, wages, and other benefits	$ 618	$ 634	$ 1,189	$ 1,394
Bonuses	285	328	531	656
Share-based compensation	4,039	398	7,030	696
	$ 4,942	$ 1,360	$ 8,750	$ 2,746

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no material off-balance sheet arrangements.

NON-GAAP FINANCIAL MEASURES

In this MD&A, we use the terms "cash operating cost", “cash operating cost per ounce”, "all-in sustaining costs", "all-in sustaining costs per ounce", "adjusted net earnings/(loss) attributable to Golden Star shareholders","adjusted earnings/(loss) per share attributable to Golden Star shareholders" and "cash provided by operations before working capital changes".

“Cost of sales excluding depreciation and amortization” as found in the statements of operations includes all mine-site operating costs, including the costs of mining, ore processing, maintenance, work-in-process inventory changes, mine-site overhead as well as production taxes, royalties, and by-product credits, but excludes exploration costs, property holding costs, corporate office general and administrative expenses, foreign currency gains and losses, gains and losses on asset sales, interest expense, gains and losses on derivatives, gains and losses on investments and income tax expense/benefit.

“Cash operating cost” for a period is equal to “Cost of sales excluding depreciation and amortization” for the period less royalties, the cash component of metals inventory net realizable value adjustments and severance charges, and "cash operating cost per ounce" is that amount divided by the number of ounces of gold sold during the period. We use cash operating cost per ounce as a key operating indicator. We monitor this measure monthly, comparing each month's values to prior periods' values to detect trends that may indicate increases or decreases in operating efficiencies. We provide this measure to investors to allow them to also monitor operational efficiencies of the Company's mines. We calculate this measure for both individual operating units and on a consolidated basis. Since cash operating costs do not incorporate revenues, changes in working capital and non-operating cash costs, they are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Changes in numerous factors including, but not limited to, mining rates, milling rates, ore grade, gold recovery, costs of labor, consumables and mine site general and administrative activities can cause these measures to increase or decrease. We believe that these measures are similar to the measures of other gold mining companies, but may not be comparable to similarly titled measures in every instance.

"All-in sustaining costs" commences with cash operating costs and then adds sustaining capital expenditures, corporate general and administrative costs (excluding non-cash share-based compensation expenses), mine site exploratory drilling and greenfield evaluation costs and environmental rehabilitation costs. "All-in sustaining costs per ounce" is that amount divided by the number of ounces of gold sold during the period. This measure seeks to represent the total costs of producing gold from current operations, and therefore it does not include capital expenditures attributable to projects or mine expansions, exploration and evaluation costs attributable to growth projects, income tax payments, interest costs or dividend payments. Consequently, this measure is not representative of all of the Company's cash expenditures. In addition, the calculation of all-in sustaining costs does not include depreciation expense as it does not reflect the impact of expenditures incurred in prior periods. Therefore, it is not indicative of the Company's overall profitability. Non-cash share-based compensation expenses are now also excluded from the calculation of all-in sustaining costs as the Company believes that such expenses may not be representative of the actual payout on the equity and liability based awards. Non-cash share-based compensation expenses were previously included in the calculation of all-in sustaining costs. The Company has presented comparative figures to conform with the computation of all-in sustaining costs as currently calculated by the Company.

The Company believes that “all-in sustaining costs” will better meet the needs of analysts, investors and other stakeholders of the Company in understanding the costs associated with producing gold, understanding the economics of gold mining, assessing the operating performance and also the Company's ability to generate free cash flow from current operations and to generate free cash flow on an overall Company basis. Due to the capital intensive nature of the industry and the long useful lives over which these items are depreciated, there can be a disconnect between net earnings calculated in accordance with IFRS and the amount of free cash flow that is being generated by a mine. In the current market environment for gold mining equities, many investors and analysts are more focused on the ability of gold mining companies to generate free cash flow from current operations, and consequently the Company believes these measures are useful non-IFRS operating metrics ("non-GAAP measures") and supplement the IFRS disclosures made by the Company. These measures are not representative of all of Golden Star's cash expenditures as they do not include income tax payments or interest costs. Non-GAAP measures are intended to provide additional information only and do not have standardized definitions under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. The table below reconciles these non-GAAP measures to the most directly comparable IFRS measures and, where applicable, previous periods have been recalculated to conform to the current definition.

The table below reconciles consolidated cost of sales excluding depreciation and amortization to cash operating cost per ounce and all-in sustaining costs per ounce:

(Stated in thousands of U.S dollars except cost per ounce data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Cost of sales excluding depreciation and amortization	$ 42,956	$ 78,738	$ 84,014	$ 150,941
Severance charges	—	(13,360)	71	(13,844)
Royalties	(2,681)	(3,293)	(5,841)	(7,121)
Metals inventory net realizable value adjustment	—	(721)	—	(1,524)
Cash operating costs	40,275	61,364	78,244	128,452
Royalties	2,681	3,293	5,841	7,121
Metals inventory net realizable value adjustment	—	721	—	1,524
Accretion of rehabilitation provision	342	441	684	881
General and administrative costs, excluding share-based compensation	3,248	3,299	6,126	6,402
Sustaining capital expenditures	3,248	1,134	5,263	3,626
All-in sustaining costs	$ 49,794	$ 70,252	$ 96,158	$ 148,006
Ounces sold	42,004	55,132	94,672	118,377
Cost per ounce measures ($/oz):				
Cash operating cost per ounce	959	1,113	826	1,085
All-in sustaining cost per ounce	1,185	1,274	1,016	1,250

The tables below reconciles cost of sales excluding depreciation and amortization to cash operating costs per ounce for each of the operating mines:

(Stated in thousands of U.S dollars except cost per ounce data)	Three Months Ended June 30, 2016		
	Wassa	Bogoso/Prestea	Combined
Cost of sales excluding depreciation and amortization	$ 21,919	$ 21,037	$ 42,956
Royalties	(1,361)	(1,320)	(2,681)
Cash operating costs	$ 20,558	$ 19,717	$ 40,275
Ounces sold	21,092	20,912	42,004
Cash operating cost per ounce	$ 975	$ 943	$ 959

(Stated in thousands of U.S dollars except cost per ounce data)	Six Months Ended June 30, 2016		
	Wassa	Bogoso/Prestea	Combined
Cost of sales excluding depreciation and amortization	$ 45,696	$ 38,318	$ 84,014
Severance charges	(113)	184	71
Royalties	(3,225)	(2,616)	(5,841)
Cash operating costs	$ 42,358	$ 35,886	$ 78,244
Ounces sold	51,978	42,694	94,672
Cash operating cost per ounce	$ 815	$ 841	$ 826

(Stated in thousands of U.S dollars except cost per ounce data)	Three Months Ended June 30, 2015		
	Wassa	Bogoso/Prestea	Combined
Cost of sales excluding depreciation and amortization	$ 25,317	$ 53,421	$ 78,738
Severance charges	(322)	(13,038)	(13,360)
Royalties	(1,483)	(1,810)	(3,293)
Metals inventory net realizable value adjustment	(721)	—	(721)
Cash operating costs	$ 22,791	$ 38,573	$ 61,364
Ounces sold	24,829	30,303	55,132
Cash operating cost per ounce	$ 918	$ 1,273	$ 1,113

(Stated in thousands of U.S dollars except cost per ounce data)	Six Months Ended June 30, 2015		
	Wassa	Bogoso/Prestea	Combined
Cost of sales excluding depreciation and amortization	$ 53,970	$ 96,971	$ 150,941
Severance charges	(803)	(13,041)	(13,844)
Royalties	(2,889)	(4,232)	(7,121)
Metals inventory net realizable value adjustment	(1,524)	—	(1,524)
Cash operating costs	$ 48,754	$ 79,698	$ 128,452
Ounces sold	48,023	70,354	118,377
Cash operating cost per ounce	$ 1,015	$ 1,133	$ 1,085

"Cash provided by operations before working capital changes" is calculated by subtracting the "Changes in working capital" from "Net cash provided by operating activities" as found in the statements of cash flows.

We use cash operating cost per ounce and cash (used in)/provided by operations before working capital changes as key operating indicators. We monitor these measures monthly, comparing each month's values to prior periods' values to detect trends that may indicate increases or decreases in operating efficiencies. These measures are also compared against budget to alert management of trends that may cause actual results to deviate from planned operational results. We provide these measures to the investors to allow them to also monitor operational efficiencies of the mines owned by the Company. We calculate these measures for both individual operating units and on a consolidated basis.

Cash operating cost per ounce and cash provided by operations before working capital changes should be considered as non-GAAP financial measures as defined in the Canadian securities laws and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. There are material limitations associated with the use of such non-GAAP measures. Since these measures do not incorporate revenues, changes in working capital and non-operating cash costs, they are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Changes in numerous factors including, but not limited to, mining rates, milling rates, ore grade, gold recovery, costs of labor, consumables and mine site general and administrative activities can cause these measures to increase or decrease. We believe that these measures are similar to the measures of other gold mining companies, but may not be comparable to similarly titled measures in every instance.

Adjusted net earnings/(loss) attributable to Golden Star shareholders

The table below shows the reconciliation of net earnings/(loss) attributable to Golden Star shareholders to adjusted net earnings/(loss) attributable to Golden Star shareholders and adjusted earnings/(loss) per share attributable to Golden Star shareholders:

(Stated in thousands of U.S dollars except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net loss attributable to Golden Star shareholders	$ (22,034)	$ (61,503)	$ (19,983)	$ (74,630)
Add back:				
Share-based compensation expenses	5,396	1,530	9,740	2,059
Loss on fair value of financial instruments	18,071	1,266	20,278	5,002
Severance charges	—	13,360	(71)	13,844
Impairment charges	—	34,396	—	34,396
	1,433	(10,951)	9,964	(19,329)
Adjustments attributable to non-controlling interest	—	(4,776)	7	(4,824)
Adjusted net earnings/(loss) attributable to Golden Star shareholders	$ 1,433	$ (15,727)	$ 9,971	$ (24,153)
Adjusted earnings/(loss) per share attributable to Golden Star shareholders				
Basic and diluted	$ 0.01	$ (0.06)	$ 0.04	$ (0.09)
Weighted average shares outstanding - basic (millions)	273.1	259.5	259.9	259.5
Weighted average shares outstanding - diluted (millions)	273.1	259.5	259.9	259.5

In order to indicate to stakeholders the Company's earnings excluding the non-cash loss on the fair value of the 5% Convertible Debentures, non-cash impairment charges, non-cash gain on reduction of asset retirement obligations, non-cash share-based compensation expenses, and severance charges, the Company calculates "adjusted net earnings/(loss) attributable to Golden Star shareholders" and "adjusted net earnings/(loss) per share attributable to Golden Star shareholders" to supplement the unaudited condensed interim consolidated financial statements.

Adjusted net earnings/(loss) attributable to Golden Star shareholders and adjusted net earnings/(loss) per share attributable to Golden Star shareholders should be considered as non-GAAP financial measures as defined in the Canadian securities laws and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. There are material limitations associated with the use of such non-GAAP measures. Since these measures do not incorporate all non-cash expense and income items, changes in working capital and non-operating cash costs, they are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Changes in numerous factors including, but not limited to, our share price, risk free interest rates, gold prices, mining rates, milling rates, ore grade, gold recovery, costs of labor, consumables and mine site general and administrative activities can cause these measures to increase or decrease. The Company believes that these measures are similar to the measures of other gold mining companies, but may not be comparable to similarly titled measures in every instance.

OUTSTANDING SHARE DATA

As of July 24, 2016, there were 282,727,008 common shares of the Company issued and outstanding, 16,434,582 stock options outstanding, 5,459,489 deferred share units outstanding, 5,000,000 warrants outstanding and 5% Convertible Debentures which are convertible into an aggregate of 44,758,182 common shares. The Company's share appreciation rights, performance share units and restricted share units are cash settled instruments.

CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The critical accounting estimates and assumptions are disclosed in Note 4 of the audited consolidated financial statements for the year ended December 31, 2015.

CHANGES IN ACCOUNTING POLICIES

The changes in accounting policies and standards, interpretations and amendments not yet effective are disclosed in Note 3 of the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2016 .

FINANCIAL INSTRUMENTS

(Stated in thousands of U.S dollars)	Fair value at June 30, 2016	Basis of measurement	Associated risks
Cash and cash equivalents $	7,577	Loans and receivables	Interest/Credit/Foreign exchange
Accounts receivable	6,817	Loans and receivables	Foreign exchange/Credit
Trade and other payables	79,752	Amortized cost	Foreign exchange/Interest
5% Convertible Debentures	59,417	Fair value through profit and loss	Interest
Warrants	2,391	Fair value through profit and loss	Market price
Non-hedge derivative instruments	2,729	Fair value through profit and loss	Market price
Royal Gold loan, net of fees	18,335	Amortized cost	Interest
Ecobank Loan II, net of fees	21,878	Amortized cost	Interest
Equipment financing facility	2,940	Amortized cost	Interest
Finance leases	2,476	Amortized cost	Interest
Vendor agreement	21,973	Amortized cost	Interest/Foreign exchange

Loans and receivables - Cash and cash equivalents and accounts receivables mature in the short term and approximate their fair values.

Amortized costs - Trade and other payables, the Royal Gold loan, the Ecobank Loan II, the vendor agreement, the equipment financing facility and the finance leases approximate their carrying values as the interest rates are comparable to current market rates. Carrying value of the vendor agreement has been discounted to reflect its fair value.

Fair value through profit or loss

5% Convertible Debentures - The debt component of the 5% Convertible Debentures is valued based on discounted cash flows and the conversion feature is valued using a Black Scholes model. The risk free interest rate used in the fair value computation is the interest rate on the US treasury rate with maturity similar to the remaining life of the 5% Convertible Debentures. The discount rate used is determined by adding the risk premium to the risk free interest rate. A market-based volatility rate was also applied to the fair value computation. For the three and six months ended June 30, 2016 , revaluation losses of $15.2 million and $14.7 million were recorded respectively.

Warrants - The fair value of the warrants is estimated based on the Black-Scholes model. For the three and six months ended June 30, 2016 , revaluation losses of $0.8 million and $2.0 million were recorded respectively.

Non-hedge derivative instruments - The fair value of the non-hedge derivative instruments is estimated based on the Black-Scholes model. For the three and six months ended June 30, 2016 , a revaluation loss of $1.5 million and $2.7 million were recorded on collars and forward contracts that have not been settled.

DISCLOSURES ABOUT RISKS

The Company's exposure to significant risks include, but are not limited to, the following risks: change in interest rates on our debt, change in foreign currency exchange rates, commodity price fluctuations, liquidity risk and credit risk. In recognition of the Company's outstanding accounts payable, the Company cannot guarantee that vendors or suppliers will not suspend or deny delivery of products or services to the Company. For a complete discussion of the risks, refer to the Company's Annual Information Form for the year ended December 31, 2015 available on the SEDAR website at www.sedar.com.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, with the participation of its President and Chief Executive Officer and Executive Vice President and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures. Based upon the results of that evaluation, the Company's President and Chief Executive Officer and Executive Vice President and Chief Financial

Officer have concluded that, as of June 30, 2016 , the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods and is accumulated and communicated to management, including the President and Chief Executive Officer and Executive Vice President and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

The Company's management, with the participation of its President and Chief Executive Officer and Executive Vice President and Chief Financial Officer, are responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision of the President and Chief Executive Officer and Executive Vice President and Chief Financial Officer, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that accurately and fairly reflect, in reasonable detail, the transactions and dispositions of assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that the Company's receipts and expenditures are made only in accordance with authorizations of management and the Company's directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Company's consolidated financial statements.

The Company's management, including the President and Chief Executive Officer and Executive Vice President and Chief Financial Officer, believes that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's design of internal controls and procedures over financial reporting that has materially affected, or is reasonable likely to materially affect, the Company's internal control over financial reporting during the period covered by this MD&A.

ADDITIONAL INFORMATION

Additional information regarding the Company, including the Company's Annual Information Form for the year ended December 31, 2015, is available under the Company's profile on SEDAR at www.sedar.com.

Unaudited

Condensed Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2016 and June 30, 2015

TABLE OF CONTENTS

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

GOLDEN STAR RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Stated in thousands of U.S. dollars except shares and per share data)
(unaudited)

	Notes	Three Months Ended June 30,		Six Months Ended June 30,	
		2016	2015	2016	2015
Revenue	16	$ 51,457	$ 65,796	$ 112,524	$ 142,315
Cost of sales excluding depreciation and amortization	17	42,956	78,738	84,014	150,941
Depreciation and amortization		4,136	13,175	9,932	24,760
Mine operating margin/(loss)		4,365	(26,117)	18,578	(33,386)
Other expenses/(income)					
Exploration expense		539	325	981	637
General and administrative		8,645	4,829	15,867	8,461
Finance expense, net	18	2,730	2,104	4,836	4,774
Other income		(2,784)	(49)	(2,862)	(2,555)
Loss on fair value of financial instruments, net	4	18,071	1,266	20,278	5,002
Impairment charges		—	34,396	—	34,396
Net loss and comprehensive loss		$ (22,836)	$ (68,988)	$ (20,522)	$ (84,101)
Net loss attributable to non-controlling interest		(802)	(7,485)	(539)	(9,471)
Net loss attributable to Golden Star shareholders		$ (22,034)	$ (61,503)	$ (19,983)	$ (74,630)
Net loss per share attributable to Golden Star shareholders					
Basic and diluted	15	$ (0.08)	$ (0.24)	$ (0.08)	$ (0.29)
Weighted average shares outstanding-basic and diluted (millions)		273.1	259.5	259.9	259.5

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

GOLDEN STAR RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS
(Stated in thousands of U.S. dollars)
(unaudited)

	Notes	As of June 30, 2016	As of December 31, 2015
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		$ 7,577	$ 35,108
Accounts receivable		6,817	5,114
Inventories	5	42,904	36,694
Prepaids and other		4,781	5,754
Total Current Assets		62,079	82,670
RESTRICTED CASH		6,463	6,463
MINING INTERESTS	6	178,738	149,849
Total Assets		$ 247,280	$ 238,982
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	7	$ 87,057	$ 110,811
Derivative liabilities	8	5,120	407
Current portion of rehabilitation provisions	9	4,687	3,660
Current portion of long term debt	11	67,862	22,035
Current portion of deferred revenue	10	16,818	11,507
Total Current Liabilities		181,544	148,420
LONG TERM DEBT	11	59,157	91,899
DEFERRED REVENUE	10	62,955	53,872
REHABILITATION PROVISIONS	9	72,981	76,025
OTHER LONG TERM LIABILITY	14	7,985	—
Total Liabilities		384,622	370,216
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
First preferred shares, without par value, unlimited shares authorized. No shares issued and outstanding		—	—
Common shares, without par value, unlimited shares authorized	12	709,295	695,555
CONTRIBUTED SURPLUS		33,286	32,612
DEFICIT		(813,287)	(793,304)
Deficit attributable to Golden Star		(70,706)	(65,137)
NON-CONTROLLING INTEREST		(66,636)	(66,097)
Total Liabilities and Shareholders' Equity		$ 247,280	$ 238,982

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

Signed on behalf of the Board,

"Timothy C. Baker"
Timothy C. Baker, Director

"William L. Yeates"
William L. Yeates, Director

GOLDEN STAR RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Stated in thousands of U.S. dollars)

(unaudited)

	Notes	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
OPERATING ACTIVITIES:					
Net loss		$ (22,836)	$ (68,988)	$ (20,522)	$ (84,101)
Reconciliation of net loss to net cash provided by/(used in) operating activities:					
Depreciation and amortization		4,141	13,185	9,942	24,779
Net realizable value adjustment on inventory		—	721	—	1,524
Impairment charges		—	34,396	—	34,396
Share-based compensation	14	5,396	1,530	9,740	2,059
Loss on fair value of 5% Convertible Debentures	4	15,677	1,266	15,166	5,002
Loss on fair value of warrants	4	853	—	1,984	—
Recognition of deferred revenue	10	(2,831)	—	(5,606)	—
Proceeds from Royal Gold stream	10	20,000	—	20,000	—
Unrealized loss on non-hedge derivative contracts	4	1,475	—	2,729	—
Reclamation expenditures	9	(1,169)	(1,007)	(2,701)	(2,073)
Other	21	(1,413)	807	(672)	(1,097)
Changes in working capital	21	(13,170)	15,426	(23,009)	21,685
Net cash provided by/(used in) operating activities		6,123	(2,664)	7,051	2,174
INVESTING ACTIVITIES:					
Additions to mining properties		(348)	(77)	(612)	(96)
Additions to plant and equipment		—	(874)	—	(874)
Additions to construction in progress		(22,659)	(11,803)	(38,309)	(24,566)
Change in accounts payable and deposits on mine equipment and material		234	2,063	(6,056)	(815)
Net cash used in investing activities		(22,773)	(10,691)	(44,977)	(26,351)
FINANCING ACTIVITIES:					
Principal payments on debt		(2,355)	(4,379)	(4,626)	(8,727)
Proceeds from debt agreements		—	15,000	3,000	15,000
5% Convertible Debentures repurchase		(1,701)	—	(1,701)	—
Shares issued, net		13,706	—	13,706	—
Exercise of options		16	—	16	—
Net cash provided by financing activities		9,666	10,621	10,395	6,273
Decrease in cash and cash equivalents		(6,984)	(2,734)	(27,531)	(17,904)
Cash and cash equivalents, beginning of period		14,561	24,182	35,108	39,352
Cash and cash equivalents, end of period		$ 7,577	$ 21,448	$ 7,577	$ 21,448

See Note 21 for supplemental cash flow information.

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

GOLDEN STAR RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Stated in thousands of U.S. dollars except share data)
(unaudited)

	Number of Common Shares	Share Capital	Contributed Surplus	Deficit	Non-Controlling Interest	Total Shareholders' Equity
Balance at December 31, 2014	**259,490,083**	**$ 695,266**	**$ 31,532**	**$ (725,623)**	**$ (55,368)**	**$ (54,193)**
Options granted net of forfeitures	—	—	405	—	—	405
DSU's granted	—	—	476	—	—	476
Net loss	—	—	—	(74,630)	(9,471)	(84,101)
Balance at June 30, 2015	**259,490,083**	**$ 695,266**	**$ 32,413**	**$ (800,253)**	**$ (64,839)**	**$ (137,413)**
Balance at December 31, 2015	**259,897,095**	**$ 695,555**	**$ 32,612**	**$ (793,304)**	**$ (66,097)**	**$ (131,234)**
Shares issued (see Note 12)	22,750,000	15,015	—	—	—	15,015
Shares issued under DSUs	39,744	9	(9)	—	—	—
Shares issued under options	40,169	25	(9)	—	—	16
Options granted net of forfeitures	—	—	475	—	—	475
DSU's granted	—	—	217	—	—	217
Share issue costs	—	(1,309)	—	—	—	(1,309)
Net loss	—	—	—	(19,983)	(539)	(20,522)
Balance at June 30, 2016	**282,727,008**	**$ 709,295**	**$ 33,286**	**$ (813,287)**	**$ (66,636)**	**$ (137,342)**

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

1 . NATURE OF OPERATIONS

Golden Star Resources Ltd. ("Golden Star" or "the Company" or "we" or "our") is a Canadian federally-incorporated, international gold mining and exploration company headquartered in Toronto, Canada. The Company's shares are listed on the Toronto Stock Exchange (the "TSX") under the symbol GSC, the NYSE MKT under the symbol GSS and the Ghana Stock Exchange under the symbol GSR. The Company's registered office is located at 150 King Street West, Sun Life Financial Tower, Suite 1200, Toronto, Ontario, M5H 1J9, Canada.

Through a 90% owned subsidiary, Golden Star (Wassa) Limited, we own and operate the Wassa open-pit gold mine, the Wassa underground development project and a carbon-in-leach ("CIL") processing plant (collectively, “Wassa”), located northeast of the town of Tarkwa, Ghana. Through our 90% owned subsidiary Golden Star (Bogoso/Prestea) Limited, the Company owns and operates the Bogoso gold mining and processing operations (“Bogoso”) and the Prestea mining operations located near the town of Prestea, Ghana. We hold interests in several gold exploration projects in Ghana and other parts of West Africa, and in South America we hold and manage exploration properties in Brazil.

2 . BASIS OF PRESENTATION

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) including International Accounting Standards ("IAS") 34 Interim financial reporting. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies and methods of application adopted are consistent with those disclosed in Note 3 of the Company’s consolidated financial statements for the year ended December 31, 2015, except for the changes in accounting policies as described below.

These condensed interim consolidated financial statements were approved by the Board of Directors of the Company on July 25, 2016 .

Basis of presentation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries, whether owned directly or indirectly. The financial statements of the subsidiaries are prepared for the same period as the Company using consistent accounting policies for all periods presented. All inter-company balances and transactions have been eliminated. Subsidiaries are entities controlled by the Company. Non-controlling interests in the net assets of consolidated subsidiaries are a separate component of the Company's equity.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of all liabilities in the normal course of business.

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and the Company's 5% Convertible Debentures which are measured at fair value through profit or loss.

3 . CHANGES IN ACCOUNTING POLICIES

The Company has adopted the following new and revised standards, effective January 1, 2016. These changes were made in accordance with the applicable transitional provisions.

IAS 1 *Presentation of financial statements* was amended to clarify guidance on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The adoption of this amendment did not result in any impact to the Company's financial statements.

IFRS 7 *Financial instruments: Disclosures* amended to (i) add guidance on whether an arrangement to service a financial asset which has been transferred constitutes continuing involvement, and (ii) clarify that the additional disclosure required by the amendments to IFRS 7, *Disclosure - Offsetting financial assets and financial liabilities,* is not specifically required for interim periods, unless required by IAS 34. The adoption of this improvement did not result in any impact to the Company's financial statements.

IAS 34 *Interim financial reporting* amended to (i) clarify what is meant by “information disclosed elsewhere in the interim financial report” and (ii) require a cross reference to the location of that information. The adoption of this amendment did not result in any impact to the Company's financial statements.

Standards, interpretations and amendments not yet effective

IAS 7 *Statement of cash flows - Disclosures related to financing activities* was amended to require disclosures about changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for years beginning on/after January 1, 2017. The Company is still assessing the impact of this standard.

IAS 12 *Income taxes - Deferred tax* was amended to clarify (i) the requirements for recognizing deferred tax assets on unrealized losses; (ii) deferred tax where an asset is measured at a fair value below the asset's tax base, and (iii) certain other aspects of accounting for deferred tax assets. This amendment is effective for years beginning on/after January 1, 2017. The Company is still assessing the impact of this standard.

IFRS 15 *Revenue from Contracts with Customers* was amended to clarify how to (i) identify a performance obligation in a contract; (ii) determine whether a company is a principal or an agent; and (iii) determine whether the revenue from granting a license should be recognized at a point in time or over time. In additional to the clarifications, the amendments include two additional reliefs to reduce cost and complexity for a company when it first applies the new standard. The amendments have the same effective date as the standard, which is January 1, 2018. The Company is still assessing the impact of this standard.

IFRS 16 Leases specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019. The Company is still assessing the impact of this standard.

4 . FINANCIAL INSTRUMENTS

The following tables illustrate the classification of the Company's recurring fair value measurements for financial instruments within the fair value hierarchy and their carrying values and fair values as at June 30, 2016 and December 31, 2015 :

		June 30, 2016		December 31, 2015	
	Level	Carrying value	Fair value	Carrying value	Fair value
Financial Liabilities					
Fair value through profit or loss					
5% Convertible Debentures	3	$ 59,417	$ 59,417	$ 46,406	$ 46,406
Warrants	2	2,391	2,391	407	407
Non-hedge derivative contracts	2	2,729	2,729	—	—

There were no non-recurring fair value measurements of financial instruments as at June 30, 2016 .

The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 - Inputs that are not based on observable market data.

The Company's policy is to recognize transfers into and transfers out of the fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the six months ended June 30, 2016 , the non-hedge derivative contracts entered into by the Company were added as Level 2 fair valued financial instruments within the fair value measurement hierarchy. During the six months ended June 30, 2016 , there were no transfers into or out of Level 1 or Level 3 fair value measurements.

The valuation techniques that are used to measure fair value are as follows:

5% Convertible Debentures

The debt component of the 5% Convertible Debentures is valued based on discounted cash flows and the conversion feature is valued based on a Black-Scholes model. The risk free interest rate used in the fair value computation is the interest rate on US treasury bills with maturity similar to the remaining life of the 5% Convertible Debentures. The discount rate used is determined by adding our risk premium to the risk free interest rate. A market-based volatility rate has been applied to the fair value computation. Inputs used to determine the fair value on June 30, 2016 and December 31, 2015 were as follows:

	June 30, 2016	December 31, 2015
5% Convertible Debentures		
Risk-free interest rate	0.5%	1.1%
Risk premium	28.5%	41.0%
Expected volatility	40.0%	40.0%
Remaining life (years)	0.9	1.4

The following table presents the changes in the Level 3 financial instruments for the six months ended June 30, 2016 :

	Fair value
Balance, December 31, 2015	$ 46,406
Repurchase [1]	(1,701)
Gain on repurchase	(454)
Loss in the period included in earnings	15,166
Balance, June 30, 2016	$ 59,417

[1] The Company repurchased $3.6 million principal amount of its 5% Convertible Debentures for $1.8 million that included an interest payment of $0.1 million.

If the risk premium increases by 5%, the fair value of the 5% Convertible Debentures would decrease and the related loss in the consolidated statement of operations would decrease by $2.6 million for the six months ended June 30, 2016 . In general, an increase in risk premium would increase the gain on fair value of the 5% Convertible Debentures.

Warrants

As part of the term loan transaction with Royal Gold, Inc. ("RGI"), 5,000,000 warrants to purchase Golden Star shares were issued to RGI. The warrants have a $0.27 exercise price and expire on July 28, 2019, being the fourth year anniversary of the date of issuance. These instruments are fair valued based on a Black-Scholes model with the following inputs on June 30, 2016 and December 31, 2015 :

	June 30, 2016	December 31, 2015
Warrants		
Risk-free interest rate	0.9%	1.2%
Expected volatility	88.7%	83.2%
Remaining life (years)	3.1	3.6

The following table presents the fair value changes in warrants for the six months ended June 30, 2016 :

	Fair value
Balance, December 31, 2015	$ 407
Loss in the period included in earnings	1,984
Balance, June 30, 2016	$ 2,391

Non-hedge derivative contracts

During the six months ended June 30, 2016 , the Company entered into the following gold forward and collar contracts with maturities of the contracts ranging from March to December 2016:

- Forward contracts for 9,000 ounces of gold at $1,188 per ounce; and
- Costless collars consisting of puts and calls, on 30,000 ounces of gold with a floor price of $1,125 per ounce and a ceiling ranging between $1,240 per ounce and $1,325 per ounce.

The non-hedge accounted forward and collar contracts are considered fair value through profit or loss financial instruments with fair value determined using pricing models that utilize a variety of observable inputs that are a combination of quoted prices, applicable yield curves and credit spreads.

During the six months ended June 30, 2016 , the Company recognized losses of $0.9 million on settled derivative contracts. At June 30, 2016 , the revaluation loss included in earnings on the derivative contracts was $ 2.7 million .

5 . INVENTORIES

Inventories include the following components:

	As of June 30, 2016	As of December 31, 2015
Stockpiled ore	$ 25,009	$ 20,338
In-process ore	4,114	3,843
Materials and supplies	13,080	12,024
Finished goods	701	489
Total	$ 42,904	$ 36,694

The cost of inventories expensed for the six months ended June 30, 2016 and 2015 was $78.2 million and $143.8 million , respectively.

No materials and supplies inventories were written off in the six months ended June 30, 2016 (six months ended June 30, 2015 - $12.9 million of materials and supplies inventories and $12.8 million of refractory ore inventory). There was no net realizable value adjustment on stockpiled and in-process ore in the six months ended June 30, 2016 (six months ended June 30, 2015 - $2.2 million on stockpiled and in-process ore and $1.0 million due to obsolescence).

6 . MINING INTERESTS

The following table shows the breakdown of the cost, accumulated depreciation and net book value of plant and equipment, and mining properties:

	Plant and equipment	Mining properties	Construction in progress	Total
Cost				
As of December 31, 2015	$ 452,645	$ 729,746	$ 71,902	$ 1,254,293
Additions	—	612	35,971	36,583
Transfers	1,884	1,128	(3,012)	—
Capitalized interest	—	—	2,338	2,338
Disposals and other	(620)	—	—	(620)
As of June 30, 2016	$ 453,909	$ 731,486	$ 107,199	$ 1,292,594
Accumulated depreciation				
As of December 31, 2015	$ 423,665	$ 680,779	$ —	$ 1,104,444
Depreciation and amortization	4,548	5,402	—	9,950
Disposals and other	(538)	—	—	(538)
As of June 30, 2016	$ 427,675	$ 686,181	$ —	$ 1,113,856
Carrying amount				
As of December 31, 2015	$ 28,980	$ 48,967	$ 71,902	$ 149,849
As of June 30, 2016	$ 26,234	$ 45,305	$ 107,199	$ 178,738

As at June 30, 2016 , equipment under finance leases had net carrying amounts of $1.5 million . The total minimum lease payments are disclosed in Note 11 - Debt.

No depreciation is charged to construction in progress assets.

7 . ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities include the following components:

	As of June 30, 2016	As of December 31, 2015
Trade and other payables	$ 47,167	$ 71,081
Accrued liabilities	32,585	31,496
Payroll related liabilities	7,305	6,376
Accrued severance	—	1,858
Total	$ 87,057	$ 110,811

During the six months ended June 30, 2016 , the Company entered into an agreement with a significant current account creditor to settle $36.5 million of current liabilities. Under this agreement, the Company has paid $12.0 million and deferred the remaining $24.5 million until January 2018 (see Note 11).

8 . DERIVATIVE LIABILITIES

Derivative liabilities include the following components:

	As of June 30, 2016	As of December 31, 2015
Warrants at fair value (see Note 4)	$ 2,391	$ 407
Non-hedge derivative contracts at fair value (see Note 4)	2,729	—
Total	$ 5,120	$ 407

9 . REHABILITATION PROVISIONS

At June 30, 2016 , the total undiscounted amount of the estimated future cash needs was estimated to be $82.5 million . A discount rate assumption of 2% and an inflation rate assumption of 2% were used to value the rehabilitation provisions. The changes in the carrying amount of the rehabilitation provisions are as follows:

	Six Months Ended June 30, 2016	Year Ended December 31, 2015
Beginning balance	$ 79,685	$ 85,816
Accretion of rehabilitation provisions	684	1,761
Changes in estimates	—	(4,945)
Cost of reclamation work performed	(2,701)	(2,947)
Balance at the end of the period	$ 77,668	$ 79,685
Current portion	$ 4,687	$ 3,660
Long term portion	72,981	76,025
Total	$ 77,668	$ 79,685

10 . DEFERRED REVENUE

During the six months ended June 30, 2016 , the Company sold 8,788 ounces of gold to RGLD Gold AG ("RGLD") pursuant to the streaming agreement with RGLD. Revenue recognized on the ounces sold to RGLD during the six months ended June 30, 2016 consisted of $2.1 million of cash payment proceeds and $5.6 million of deferred revenue recognized in the period (see Note 16). The Company has delivered a total of 21,489 ounces to RGLD since the inception of the streaming agreement.

	Six Months Ended June 30, 2016	Year Ended December 31, 2015
Beginning balance	$ 65,379	$ —
Deposits received	20,000	75,000
Deferred revenue recognized	(5,606)	(9,621)
Balance at the end of the period	$ 79,773	$ 65,379
Current portion	$ 16,818	$ 11,507
Long term portion	62,955	53,872
Total	$ 79,773	$ 65,379

11 . DEBT

The following table displays the components of our current and long term debt instruments:

	As of June 30, 2016	As of December 31, 2015
Current debt:		
Equipment financing credit facility	$ 1,801	$ 2,761
Finance leases	1,049	1,016
Ecobank Loan II	5,595	4,889
5% Convertible Debentures at fair value (see Note 4)	59,417	—
Current portion of other long term liabilities	—	13,369
Total current debt	$ 67,862	$ 22,035
Long term debt:		
Equipment financing credit facility	$ 1,139	$ 1,625
Finance leases	1,427	2,019
Ecobank Loan II	16,283	16,548
5% Convertible Debentures at fair value (see Note 4)	—	46,406
Royal Gold loan	18,335	18,175
Vendor agreement	21,973	7,126
Total long term debt	$ 59,157	$ 91,899
Current portion	$ 67,862	$ 22,035
Long term portion	59,157	91,899
Total	$ 127,019	$ 113,934

Schedule of payments on outstanding debt as of June 30, 2016 :

	Six months ending December 31, 2016	Year ending December 31, 2017	Year ending December 31, 2018	Year ending December 31, 2019	Year ending December 31, 2020	Maturity
Equipment financing loans						
Principal	$ 1,315	$ 931	$ 694	$ —	$ —	2016 to 2018
Interest	71	34	4	—	—	
Finance leases						
Principal	457	1,088	931	—	—	2018
Interest	77	100	24	—	—	
Ecobank Loan II						
Principal	2,798	5,595	5,595	5,595	2,797	2020
Interest	1,248	2,007	1,365	722	121	
5% Convertible Debentures						
Principal	—	73,851	—	—	—	June 1, 2017
Interest	1,846	1,846	—	—	—	
Royal Gold loan						
Principal	—	—	—	20,000	—	2019
Interest [1]	750	1,500	1,500	875	—	
Vendor agreement						
Principal	—	—	12,266	12,266	—	
Interest	—	1,840	1,418	498	—	
Total principal	$ 4,570	$ 81,465	$ 19,486	$ 37,861	$ 2,797	
Total interest	3,992	7,327	4,311	2,095	121	
	$ 8,562	$ 88,792	$ 23,797	$ 39,956	$ 2,918	

[1] Interest payments on the Royal Gold loan are based on the average daily London Bullion Market Association ("LBMA") gold price multiplied by 62.5% divided by 10,000 to a maximum interest rate of 11.5% per annum. The estimated interest payments are calculated based on $1,200 per ounce LBMA gold price.

5% Convertible Debentures

The 5% Convertible Debentures were issued on May 31, 2012, in the amount of $77.5 million, in exchange for $74.5 million of our 4% convertible senior unsecured debentures (the "4% Convertible Debentures") in privately negotiated transactions with certain holders of the 4% Convertible Debentures exempt from the registration requirements of the U.S. Securities Act of 1933, as amended. The 5% Convertible Debentures are governed by the terms of an indenture dated May 31, 2012, by and between the Company and The Bank of New York Mellon, as Indenture Trustee.

During the six months ended June 30, 2016 , the Company repurchased $3.6 million principal amount of its 5% Convertible Debentures for $1.8 million that included an interest payment of $0.1 million, resulting in $73.9 million outstanding. The Company recorded a gain on repurchase of the debentures of $0.5 million (see Note 4).

The 5% Convertible Debentures are accounted for at fair value and marked to market each reporting period and the corresponding gain/loss on fair value is recorded in the Statement of Operations.

The 5% Convertible Debentures mature on June 1, 2017, and therefore have been classified as current liabilities during the current quarter.

As at June 30, 2016 , the fair value of the 5% Convertible Debentures is valued at $59.4 million with a loss of $15.2 million recorded in the six months ended June 30, 2016 (see Note 4).

Vendor agreement

On May 4, 2016, the Company entered into an agreement with a significant current account creditor to settle $36.5 million of current liabilities. Under this agreement, the Company has paid $12.0 million and deferred the remaining $24.5 million until January 2018, after which the outstanding balance will be repaid in equal installments for 24 months with interest of 7.5% that will accrue and be payable beginning in January 2017. A $2.7 million gain was recognized in other income on remeasurement of this deferral.

12 . SHARE CAPITAL

On April 28, 2016, the Company entered into an agreement with BMO Nesbitt Burns Inc. (the "Underwriter") under which the Underwriter has agreed to buy on a bought deal basis 22,750,000 common shares at a price of $0.66 per share for gross proceeds of $15.0 million (the "Offering"). In addition, the Company granted the Underwriter an option, exercisable at the offering price for 30 days following the closing of the Offering, to purchase up to an additional 3,412,500 common shares. The option was not exercised. The Company incurred share issue costs of $1.3 million resulting in net proceeds of $13.7 million.

13 . COMMITMENTS AND CONTINGENCIES

The Company has capital commitments of $17.7 million , all of which are expected to be incurred within the next six months.

14 . SHARE-BASED COMPENSATION

Non-cash employee compensation expenses recognized in general and administrative expense in the statements of operations and comprehensive loss are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Share-based compensation	$ 5,396	$ 1,530	$ 9,740	$ 2,059

Share options

During the quarter, the Fourth Amended and Restated 1997 Stock Option Plan (the “Fourth Amended and Restated 1997 Stock Option Plan”) was approved by shareholders to (i) reserve an additional 10,000,000 Common Shares (or approximately 3.8% of the issued and outstanding Common Shares) for the Fourth Amended and Restated 1997 Stock Option Plan, thereby increasing the total number of Common Shares issuable from 25,000,000 Common Shares under the Stock Option Plan to 35,000,000 Common Shares under the Fourth Amended and Restated 1997 Stock Option Plan; (ii) provide for the grant of “incentive stock options” (being stock options designated as “incentive stock options” in an option agreement and that are granted in accordance with the requirements of, and that conforms to the applicable provisions of, Section 422 of the Internal Revenue Code); and (iii) to make such other changes to update the provisions of the Stock Option Plan in light of current best practices.

The fair value of option grants is estimated at the grant dates using the Black-Scholes option-pricing model. Fair values of options granted during the six months ended June 30, 2016 and 2015 were based on the weighted average assumptions noted in the following table:

	Six Months Ended June 30,	
	2016	2015
Expected volatility	71.96%	68.98%
Risk-free interest rate	1.32%	1.30%
Expected lives	5.02 years	5.59 years
Dividend yield	0%	0%

The weighted average fair value per option granted during the six months ended June 30, 2016 was $0.35 (six months ended June 30, 2015 - $0.23). As at June 30, 2016 , there was $0.5 million of share-based compensation expense (June 30, 2015 - $0.6 million) relating to the Company's share options to be recorded in future periods. For the six months ended June 30, 2016 , the Company recognized an expense of $0.5 million (six months ended June 30, 2015 - $0.4 million).

A summary of option activity under the Company's Stock Option Plan during the six months ended June 30, 2016 are as follows:

	Options (‘000)	Weighted–Average Exercise price	Weighted–Average Remaining Contractual Term (Years)
Outstanding as of December 31, 2015	13,911	1.48	5.9
Granted	3,085	0.44	9.2
Exercised	(40)	0.37	9.4
Forfeited	(475)	0.93	6.2
Expired	(47)	3.94	—
Outstanding as of June 30, 2016	16,434	1.33	6.1
Exercisable as of December 31, 2015	10,050	1.84	4.8
Exercisable as of June 30, 2016	12,128	1.60	5.1

Share Bonus Plan

There were no bonus shares issued during the six months ended June 30, 2016 .

Deferred share units ("DSUs")

For the six months ended June 30, 2016 , the DSUs that were granted vested immediately and a compensation expense of $0.2 million was recognized for these grants (six months ended June 30, 2015 - $0.5 million). As of June 30, 2016 , there was no unrecognized compensation expense related to DSUs granted under the Company's DSU Plan.

A summary of DSU activity during the six months ended June 30, 2016 and 2015 :

	Six Months Ended June 30,	
	2016	2015
Number of DSUs, beginning of period ('000)	4,496	1,962
Grants	906	2,069
Exercises	(40)	—
Number of DSUs, end of period ('000)	5,362	4,032

Share appreciation rights ("SARs")

As of June 30, 2016 , there was approximately $0.4 million of total unrecognized compensation cost related to unvested SARs (June 30, 2015 - $0.3 million). For the six months ended June 30, 2016 , the Company recognized an expense of $0.3 million related to these cash settled awards (six months ended June 30, 2015 - $0.2 million).

A summary of the SARs activity during the six months ended June 30, 2016 and 2015 :

	Six Months Ended June 30,	
	2016	2015
Number of SARs, beginning of period ('000)	2,934	3,220
Grants	1,470	700
Forfeited	(170)	(524)
Number of SARs, end of period ('000)	4,234	3,396

Performance share units ("PSUs")

Each PSU represents one notional common share that is redeemed for cash based on the value of a common share at the end of the three year performance period, to the extent performance and vesting criteria have been met. The PSUs vest at the end of a three year performance period based on the Company's total shareholder return relative to a performance peer group of gold companies as listed in the PSU Plan. The cash award is determined by multiplying the number of units by the performance adjustment factor, which range from 0% to 200%. The performance adjustment factor is determined by comparing the Company's share price performance to the share price performance of a peer group of companies. For the six months ended June 30, 2016 , the Company recognized an expense of $8.7 million (six months ended June 30, 2015 - $1.0 million).

A summary of the PSU activity during the six months ended June 30, 2016 and 2015 :

	Six Months Ended June 30,	
	2016	**2015**
Number of PSUs, beginning of period ('000)	9,618	2,346
Grants	6,058	8,010
Forfeited	(196)	(366)
Number of PSUs, end of period ('000)	15,479	9,990

15 . LOSS PER COMMON SHARE

The following table provides reconciliation between basic and diluted loss per common share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	**2015**	**2016**	**2015**
Net loss attributable to Golden Star shareholders	$ (22,034)	$ (61,503)	$ (19,983)	$ (74,630)
Weighted average number of basic and diluted shares (millions)	273.1	259.5	259.9	259.5
Loss per share attributable to Golden Star shareholders:				
Basic and diluted	$ (0.08)	$ (0.24)	$ (0.08)	$ (0.29)

16 . REVENUE

Revenue includes the following components:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	**2015**	**2016**	**2015**
Revenue - Stream arrangement				
Cash payment proceeds	$ 1,107	$ —	$ 2,121	$ —
Deferred revenue recognized	2,831	—	5,606	—
	3,938	—	7,727	—
Revenue - Spot sales	47,519	65,796	104,797	142,315
Total revenue	$ 51,457	$ 65,796	$ 112,524	$ 142,315

17 . COST OF SALES EXCLUDING DEPRECIATION AND AMORTIZATION

Cost of sales excluding depreciation and amortization include the following components:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Mine operating expenses	$ 41,945	$ 60,247	$ 83,392	$ 129,009
Severance charges	—	13,360	(71)	13,844
Operating costs (to)/from metal inventory	(1,670)	1,117	(5,148)	(557)
Inventory net realizable value adjustment	—	721	—	1,524
Royalties	2,681	3,293	5,841	7,121
	$ 42,956	$ 78,738	$ 84,014	$ 150,941

18 . FINANCE EXPENSE, NET

Finance income and expense includes the following components:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Interest income	$ (5)	$ (8)	$ (10)	$ (17)
Interest expense, net of capitalized interest (see Note 6)	2,348	2,423	4,355	4,191
Net foreign exchange (gain)/loss	45	(752)	(193)	(281)
Accretion of rehabilitation provision	342	441	684	881
	$ 2,730	$ 2,104	$ 4,836	$ 4,774

19 . RELATED PARTY TRANSACTIONS

There were no material related party transactions for the three and six months ended June 30, 2016 and 2015 other than the items disclosed below.

Key management personnel

Key management personnel is defined as members of the Board of Directors and certain senior officers. Compensation of key management personnel are as follows, such compensation made on terms equivalent to those prevailing in an arm's length transaction:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Salaries, wages, and other benefits	$ 618	$ 634	$ 1,189	$ 1,394
Bonuses	285	328	531	656
Share-based compensation	4,039	398	7,030	696
	$ 4,942	$ 1,360	$ 8,750	$ 2,746

20 . OPERATIONS BY SEGMENT AND GEOGRAPHIC AREA

The Company has reportable segments as identified by the individual mining operations. Segments are operations reviewed by the executive management. Each segment is identified based on quantitative and qualitative factors.

Three Months Ended June 30,	Wassa	Bogoso/Prestea	Other	Corporate	Total
2016					
Revenue	$ 25,649	$ 25,808	$ —	$ —	$ 51,457
Mine operating expenses	23,291	18,654	—	—	41,945
Operating costs (to)/from metal inventory	(2,733)	1,063	—	—	(1,670)
Royalties	1,361	1,320	—	—	2,681
Cost of sales excluding depreciation and amortization	21,919	21,037	—	—	42,956
Depreciation and amortization	3,149	987	—	—	4,136
Mine operating margin	581	3,784	—	—	4,365
Net loss attributable to non-controlling interest	(199)	(603)	—	—	(802)
Net earnings/(loss) attributable to Golden Star	$ 287	$ 5,639	$ (1,871)	$ (26,089)	$ (22,034)
Capital expenditures	$ 13,413	$ 9,594	$ —	$ —	$ 23,007
2015					
Revenue	$ 29,615	$ 36,181	$ —	$ —	$ 65,796
Mine operating expenses	24,412	35,835	—	—	60,247
Severance charges	322	13,038	—	—	13,360
Operating costs (to)/from metal inventory	(1,621)	2,738	—	—	1,117
Inventory net realizable value adjustment	721	—	—	—	721
Royalties	1,483	1,810	—	—	3,293
Cost of sales excluding depreciation and amortization	25,317	53,421	—	—	78,738
Depreciation and amortization	2,841	10,334	—	—	13,175
Mine operating margin/(loss)	1,457	(27,574)	—	—	(26,117)
Impairment charges	—	34,396	—	—	34,396
Net loss attributable to non-controlling interest	(255)	(7,230)	—	—	(7,485)
Net loss attributable to Golden Star	$ (253)	$ (54,597)	$ (223)	$ (6,430)	$ (61,503)
Capital expenditures	$ 6,979	$ 5,775	$ —	$ —	$ 12,754

Six Months Ended June 30,	Wassa	Bogoso/Prestea	Other	Corporate	Total
2016					
Revenue	$ 61,598	$ 50,926	$ —	$ —	$ 112,524
Mine operating expenses	47,326	36,066	—	—	83,392
Severance charges	113	(184)	—	—	(71)
Operating costs to metal inventory	(4,968)	(180)	—	—	(5,148)
Royalties	3,225	2,616	—	—	5,841
Cost of sales excluding depreciation and amortization	45,696	38,318	—	—	84,014
Depreciation and amortization	7,428	2,504	—	—	9,932
Mine operating margin	8,474	10,104	—	—	18,578
Net earnings/(loss) attributable to non-controlling interest	454	(993)	—	—	(539)
Net earnings/(loss) attributable to Golden Star	$ 6,878	$ 11,683	$ (3,950)	$ (34,594)	$ (19,983)
Capital expenditures	$ 21,951	$ 16,970	$ —	$ —	$ 38,921
2015					
Revenue	$ 57,727	$ 84,588	$ —	$ —	$ 142,315
Mine operating expenses	49,231	79,778	—	—	129,009
Severance charges	803	13,041	—	—	13,844
Operating costs to metal inventory	(477)	(80)	—	—	(557)
Inventory net realizable value adjustment	1,524	—	—	—	1,524
Royalties	2,889	4,232	—	—	7,121
Cost of sales excluding depreciation and amortization	53,970	96,971	—	—	150,941
Depreciation and amortization	6,741	18,019	—	—	24,760
Mine operating loss	(2,984)	(30,402)	—	—	(33,386)
Impairment charges	—	34,396	—	—	34,396
Net loss attributable to non-controlling interest	(1,285)	(8,186)	—	—	(9,471)
Net loss attributable to Golden Star	$ (7,201)	$ (52,933)	$ (446)	$ (14,050)	$ (74,630)
Capital expenditures	$ 17,405	$ 8,131	$ —	$ —	$ 25,536

	Wassa	Bogoso/Prestea	Other	Corporate	Total
June 30, 2016					
Total assets	$ 160,879	$ 84,428	$ 1,657	$ 316	$ 247,280
December 31, 2015					
Total assets	$ 149,019	$ 68,454	$ 21,606	$ (97)	$ 238,982

Currently our gold production is shipped to a South African gold refinery. Except for the sales to RGLD as part of the streaming arrangement, the refinery arranges for sale of the gold on the day it is shipped from the mine sites and we receive payment for gold sold two working days after the gold leaves the mine site. The global gold market is competitive with numerous banks and refineries willing to buy gold on short notice. Therefore, we believe that the loss of our current customer would not materially delay or disrupt revenue.

21 . SUPPLEMENTAL CASH FLOW INFORMATION

During the six months ended June 30, 2016 and 2015, there was no payment of income taxes. The Company paid $4.2 million of interest during the six months ended June 30, 2016 (six months ended June 30, 2015 - $4.2 million).

Changes in working capital for the six months ended June 30, 2016 and 2015 are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
(Increase)/decrease in accounts receivable	$ (2,351)	$ 3,409	$ (1,703)	$ 4,624
(Increase)/decrease in inventories	(2,553)	2,666	(6,204)	1,324
Decrease/(increase) in prepaids and other	1,942	916	876	(361)
Increase/(decrease) in accounts payable and accrued liabilities	74	8,435	(2,609)	16,098
Decrease in current portion of other long term liabilities	(10,282)	—	(13,369)	—
Total changes in working capital	$ (13,170)	$ 15,426	$ (23,009)	$ 21,685

Other include the following components:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
(Gain)/loss on marketable securities	$ (68)	$ —	$ (84)	$ 26
Gain on repurchase of 5% Convertible Debentures (see Note 4)	(454)	—	(454)	—
Gain on deferral of payables (see Note 7)	(2,682)	—	(2,682)	(2,432)
Accretion of vendor agreement (see Note 11)	1,338	304	1,642	304
Accretion of rehabilitation provisions (see Note 8)	342	441	684	881
Amortization of financing fees	111	62	222	124
	$ (1,413)	$ 807	$ (672)	$ (1,097)

Exhibit 99.3

FORM 52 - 109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, Samuel T. Coetzer, President and Chief Executive Officer of Golden Star Resources Ltd., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Golden Star Resources Ltd. (the “issuer”) for the interim period ended June 30, 2016 .

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* , for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer and I have, as at the end of the period covered by the interim filings

A. designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

I. material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

II. information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

B. designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.

5.1 ***Control framework:*** The control framework the issuer’s other certifying officer and I used to design the issuer’s ICFR is the Internal Control – Integrated Framework (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (2013).

5.2 ***ICFR - material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on April 1, 2016 and ended on June 30, 2016 that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: July 25, 2016

(signed) Samuel T. Coetzer

____

Samuel T. Coetzer
President and Chief Executive Officer

Exhibit 99.4

FORM 52 - 109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, André van Niekerk, Executive Vice President and Chief Financial Officer of Golden Star Resources Ltd., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of Golden Star Resources Ltd. (the "issuer") for the interim period ended June 30, 2016 .

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* , for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer and I have, as at the end of the period covered by the interim filings

A. designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

I. material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

II. information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

B. designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer and I used to design the issuer's ICFR is the Internal Control – Integrated Framework (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (2013).

5.2 ***ICFR - material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on April 1, 2016 and ended on June 30, 2016 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: July 25, 2016

(signed) André van Niekerk

André van Niekerk
Executive Vice President and Chief Financial Officer