



GOLDEN STAR

2010 Sustainability Report

Our Commitment

GSR supports the UN Global Compact and we continue to integrate its principles into our business activities

The UN Global Compact is a framework for businesses that are committed to aligning their operations and strategies with universally accepted principles in the areas of human rights, labour, the environment and anti-corruption.

As the world's largest, global corporate citizenship initiative, the UN Global Compact is, first and foremost, concerned with exhibiting and building the social legitimacy of business and markets. Throughout this report, look for the  symbol for reports on our performance in relation to the UN Global Compact.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

Vision And Values

To build a brand name mining company that:

- Delivers superior returns to investors,
- Attracts and retains the best talent,
- Is committed to international best practices and conduct, and
- Is a partner of choice for host communities and governments.

Sustainability Policies

In 2010, we undertook a substantial review of our Sustainability Policies. The full details of our Policy on the Environment, our Policy on Health and Safety, and our Policy on Community Relations and Human Rights can be found on our web site www.gsr.com

2010 Commitments Summary

In our 2009 Sustainability Report, Golden Star Resources detailed a number of goals and targets for 2010 in relation to opportunities to advance the sustainability of our business.

What we said we would do	What we did	Where you can find more information
Develop an education program on human rights and provide training for all employees on human rights so that they understand Golden Star's role in the protection of human rights	Training program developed and delivered to HR team Poster campaign conducted	Human Rights
Complete an assessment of the human rights record and policies of our top ten suppliers and provide a report to the Golden Star Sustainability Committee	Top ten supplier meetings held Assessments 40% complete	Human Rights
Reduce the number of reportable environmental incidents	Zero reportable incidents	Environment
Achieve full certification with the International Cyanide Management Code	Both sites in full certification	ICMC Certification
Continue our current rehabilitation program	We actively carried out rehabilitation work at both sites	Environment

This report presents a summary of Golden Star Resources' social, environmental and economic contributions for the 2010 calendar year. All data relates to the period from January 1, 2010 to December 31, 2010, unless stated otherwise. All amounts in this report are in US dollars unless otherwise indicated.

The forward-looking statements made in this report are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements, including but not limited to those with respect to the development of and exploration for new deposits, estimated future production, operational capabilities, gold price, potential employment, completion of the Dumasi asset survey and timing of negotiations, integration of the Global Compact into our business activities, human rights targets, disclosure of and statements of expected payments to authorities, and targets for lost time injury frequency, motor vehicle accidents, reportable environmental incidents and rehabilitation, involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different from forecast future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among other things, the actual price of gold, the actual results of current exploration, development and mining activities and changes in project parameters and operational activities as plans continue to be evaluated, as well as those factors disclosed in the Company's filed documents.



Tom Mair
President & CEO

PRESIDENT'S MESSAGE

I am pleased to present Golden Star's fifth annual Sustainability Report, which summarizes our corporate social responsibility and safety performance and is our communication on progress for the UN Global Compact.

When I am at our operations, people ask me what sustainability means to me. Is it the opportunity to provide jobs for people in areas that have high unemployment? Is it about returning the land to another use when mining is completed? Is it about reliable water supply, clean air, and food for our children and their children?

To me, sustainability captures the essence of a great business - a business where we all prosper.

- Our stakeholder communities benefit from livelihoods, improved well-being, and infrastructure development;
- Our employees receive fair wages for a fair day's work and go home healthy to enjoy their families;
- Our children see a mining industry that not only provides for the present, but also helps build opportunities for the future; and
- Our business delivers - for shareholders and for our host communities and governments.

In 2010, we achieved a number of sustainability milestones. The year was at times a challenging one for our business and despite this we secured full certification to the International Cyanide Management Code and continued our progress implementing the UN Global Compact principles.

I would like to take this opportunity to thank our employees, our stakeholder communities and our contracting partners for their dedication and commitment. This report is about our achievements and opportunities as a team, and it is only as a team that we will ensure the sustainability of our business.

Yours sincerely,

A handwritten signature in black ink that reads "Tom Mair".

Tom Mair
President & CEO
May 13, 2011



THE BEST TALENT

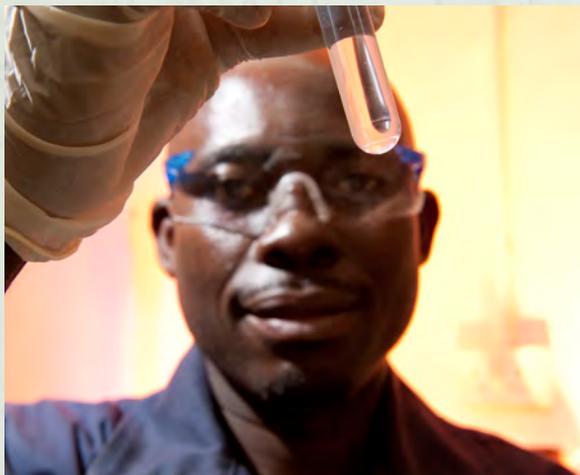
Our People

Our people are our greatest asset

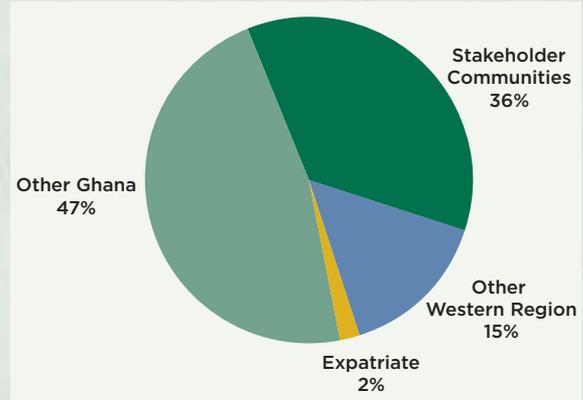
GSR understands that our people are our greatest asset. Our people bring their talents to our operations and, as a team, we commit to engaging with each other with mutual respect, honesty, and transparency.

GSR has a positive effect on our stakeholder communities; local employment contributes to regional prosperity and pride. In 2010, over 35% of our employees were from within our operations' stakeholder communities and about 51% come from within the Western Region of Ghana where our operations are located.

In line with our commitment to sustainability, building capacity within the communities in which we operate is critical to our success. At our operations, more than 3,675 people attended technical and supervisory training courses totalling more than 26,996 hours of training - the equivalent of 2 weeks training for every employee! In addition to the time commitment, we spent about US\$435,800 on training and developing our people.



Local Employment Direct Employees



Dedicated teams of specialist personnel advise and support our operations sustainability activities. Across our business, we have more than 55 personnel working in the environment discipline, 19 health and safety dedicated personnel, 29 team members in our community relations teams and a further 69 personnel dedicated to ensuring the security of our workforce.



Human Rights

Golden Star works to support and respect the protection of internationally proclaimed human rights and ensure that we are not complicit in human rights abuses.

Our UN Global Compact 2010 Objectives & Targets:

- Develop an education program on human rights and provide training for all employees on human rights so that they understand Golden Star's role in the protection of human rights.
- Complete an assessment of the human rights record and policies of our top ten suppliers and provide a report to the Golden Star Sustainability Committee.



In 2010, human rights training was provided to human resources personnel throughout our business to build their capacity and equip them to provide this training amongst the wider workforce.

To support these program, a poster campaign on women's rights, human rights, and against child and forced labour was conducted across our sites and continues into 2011.

GSR senior leadership held meetings with our top ten suppliers to communicate our policies, requirements, and commitments to human rights. We will communicate this information to our Sustainability Committee in 2011.

Our messages about human rights are being incorporated into our training program for new employees. In 2011, we will provide this training for all new staff, and will provide additional training for our employees.







Labour Standards

Freedom to associate and bargain collectively

We recognize our workers' rights to associate. Currently, over 95% of our employees at all levels within our businesses have joined various unions of their choice. Management and unions convene regular meetings to consult and negotiate workers' conditions of service.

Elimination of forced and compulsory labour

In order to eliminate all forms of forced and compulsory labour, we ensure that recruitment for any form of work is mutually agreed between both parties.

In addition to our 2,180 direct employees, our partnerships with other employers in our region enables us to work together for mutual benefit, and for the benefit of our host communities. As a result of our operations, approximately 400 direct contractors are employed, and their businesses employ a further 2,214 people to support our operations. In addition to these jobs, our Golden Star Oil Palm Plantation employs another 123 people.

Abolition of child labour

We ensure that all staff recruited meet the statutory employable age. We updated our tenancy agreement requirements to specify that GSR employees using company accommodation have a requirement for all school aged children to attend school. As a result of this action, a number of children are now attending school that previously did not.

Eliminating discrimination and promoting workplace diversity

In the traditionally male dominated mining industry, we employ a number of females throughout our business. Of our direct employees, some 3% are female staff, with women employed in roles ranging

from Management to highly specialised technical roles such as Processing Plant Supervisor. Our commitment to workforce diversity continues beyond this; we have a number of physically challenged people in our workforce.

Developing Young People

The principles of sustainability recognise the criticality of providing for future generations. But how do young people gain employment or advance themselves if employers only ever employ people with experience?

GSR is working with our stakeholder communities to provide practical experience for young people through our traineeship program and educational scholarships. In 2010, we had 21 apprentices, 48 people in our attachment programme, 12 graduate trainees, and 92 completing National Service in our business. A further 60 of our employees undertook program sponsored by GSR to obtain recognised qualifications - 26 completing Certificate level studies, 10 completing Diploma and Bachelor level studies, 4 undertaking chartered accountancy and 20 completing Masters level studies.

This is more than 235 people or 11% of our employees undertaking external program to build their capacity, obtain a greater depth of experience, and gain further qualifications.

In 2011, we will develop a training program for anti-discrimination and provide our site HR people and senior management with training. We will continue to implement our local hiring policy that provides stakeholder communities preference when applying for work with GSR.

COMMITMENT TO BEST PRACTICES

Health and Safety 🌐

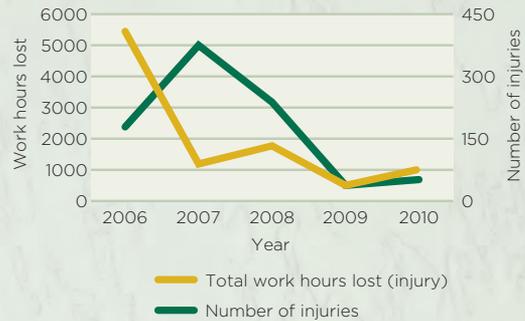
Nothing we do is worth anyone being injured

We are disappointed that in 2010 seven people were injured at our operations to an extent where they could not go back to work on their next scheduled shift. Our lost time injury frequency rate was 0.54, just above our 2010 target of 0.5.

Despite this, the total number of injuries experienced by our personnel and our contractors remained low and we were pleased to note that the severity of the injuries experienced on our sites was also low, with only 20 shifts lost to work related injury.

Our safety team proactively conducted over 500 workplace inspections and reviews during the year which is just over 40 inspections each month. More than 6,800 people received training and development on workplace health and safety.

Injuries and Severity



All incidents and near misses reported at our operations were investigated. This allows us to identify any causes for the incidents and take action to prevent reoccurrences. By year's end, we implemented 92% of the improvement actions identified from these investigations.

Objectives and Targets:

- In 2011, we will aim to consolidate our Lost Time Injury Frequency Rate at below 0.3

Giving Food Related Illnesses the 'Chop'

Hygiene and sanitation are critical issues to maintaining the health and wellbeing of our workforce. Gastroenteritis within our workforce affects our personnel and the productivity of our business.

To assist personnel in improving overall hygiene and sanitation, a series of upgrades are underway at the "chop kitchens" at our sites. The Wassa mine-site chop kitchen/dining area has been one of the first to receive a major upgrade, with new hand-washing stations, upgraded flooring, and new furniture.





ICMC Certification

Bogoso joins our Wassa operations as certified in full compliance

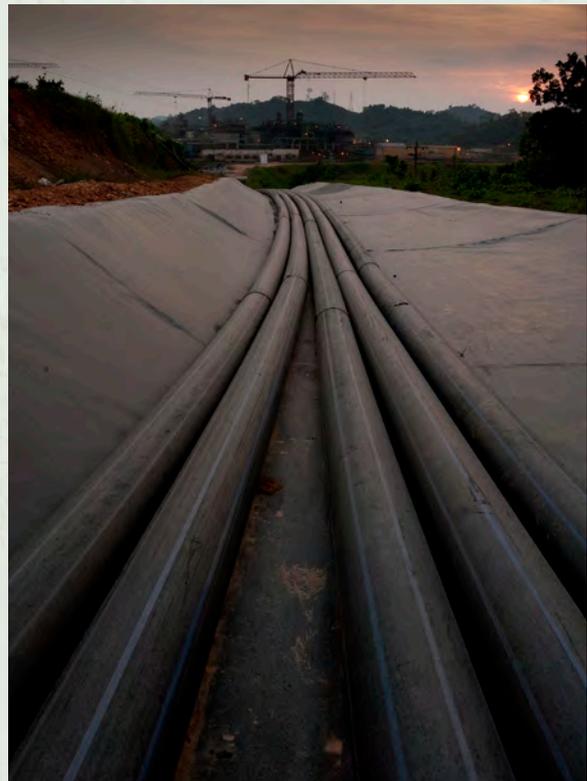
In fulfilling our 2010 environmental goals, the International Cyanide Management Institute (ICMI) announced on January 7, 2011 that Golden Star's Bogoso Mine was certified in full compliance with the International Cyanide Management Code (Code).

The Code, developed under the aegis of the United Nations Environment Programme, is administered by ICMI, which promotes the Codes' adoption, evaluates its implementation, and manages the certification process (see www.cyanidecode.org).

The Bogoso operations were audited in 2010 by independent, professional, third-party auditors who

verified that all required Corrective Action Plans had been implemented and the operation was in full compliance with the Code. The auditor's reports are available on the Code web site on the company's signatory page. The operation must be re-audited every three years to evaluate continuing compliance with the Code.

At our Wassa operations, where we achieved full certification in 2009, we also completed all of our required Corrective Action Plans in 2010 and we have scheduled an internal control review with Code certified reviewers for 2011. In addition to completing our Corrective Action Plans at Wassa, the team have also completed a continuous improvement project involving the installation of audio alarms at two of our Tailings Storage Facility collection ponds.



Environment

Working with our stakeholders to provide for future generations

GSR promotes a precautionary approach to environmental challenges and undertook initiatives to promote greater environmental responsibility during the year.

Our operations had no reportable environmental incidents (in keeping with our 2010 goals), and received no enforcement actions or fines during the period. We remained in substantial compliance with our regulatory requirements during 2010 as is reflected in our operations receiving 85% and 80% for their inaugural EPA Akoben audits (a review carried out by the Ghana Environmental Protection Agency). Our Wassa and Bogoso operations scored 100% and 91%, respectively for Corporate Social Responsibility. However, the audits highlighted areas for continued improvement and have been

the subject of action plans developed for implementation. Our performance in the EPA Akoben audit was similar to our peers in Ghana.

Water

Our extensive monitoring programs cover some 146 surface and 81 ground water monitoring sites. With more than 6,000 samples collected, we demonstrated that discharges from our operations to the receiving environment at all times met the limits set by the EPA for cyanide. We maintained substantial conformance to the internal and external values set for water quality or were consistent with the levels that existed before the start of our mining operations. In a few instances of intense rainfall, localized, short-lived sediment was observed from our construction activities. We took remedial action to install and upgrade silt traps and plant vegetation for erosion prevention.

Environmentally friendly technologies for treating water

In a tropical environment, managing seasonal rainfall can be challenging. At our Bogoso operations, we instituted several water treatment options to enable us to treat water prior to release back to the environment. By mixing water that collected in our Marlu and Bogoso North pits with water from our tailings storage facility, we were able to treat water for release and at all times remain in full compliance with the Ghana EPA discharge limits.

To provide further natural and biological water treatment, we have established dedicated and we have established dedicated water treatment wetlands (marshes) at each of our operations. These treatment areas retain nutrients, trap sediment, and return important chemical and biological components to the water. Do they work? Yes they do - just ask the thousands of insects, fish and birds that live in them!!





Land

Reuse and Recycle

We adopted a number of waste management improvements in the year to complement our existing practices, including:

- Recycling of plastic bottles and cans.
- Use of a filter press to drain used oil filters prior to metal recycling.
- Collection of wood used in packaging for reuse by local schools as firewood.
- Composting of food wastes to reduce landfill volumes.
- Use of a waste compactor to reduce landfill volumes and associated emissions.
- We recycled over 375,000 litres of waste oil and remediated more than 70 m³ of soil for reuse.

Rehabilitation and Closure

We planted over 36,000 mostly indigenous tree seedlings in our work to rehabilitate 26 hectares of land. In 2010, we spent in excess of \$9.7M on rehabilitation activities, or some 3.5% of our total annual expenditure. Backfilling of our Prestea Plant North Pit continued in 2010, and we have now backfilled over 2,660,000 m³ of material back into the pit as part of our ongoing environmental commitment.

During the year, the third Stakeholders' Open House Forum was successfully held at Wassa to enable

stakeholders to contribute towards rehabilitation planning for mine closure. Representatives from the catchment communities, EPA, Minerals Commission, District Assembly, Ministry of Agriculture and other Mining Companies attended. There were enthusiastic and positive comments from the 75 attendees.

The sustainable rehabilitation of our HBB haul road gravel pits continued with another 10 farmers involved in the rehabilitation of these areas. We now have 60 farmers involved and estimate some GH¢9,423 (about \$6,000) was generated from sale of the farm produce from these reclaimed areas in 2010.

Chemicals

A range of projects for improved storage and handling of chemicals were completed in the year:

- Construction of a purpose built area for the storage of drums of oil at Bogoso.
- Wassa fuel farm upgrade; our contracting partners Total received an EPA permit to operate the facility
- Roof installation over the mill reagent storage area at Wassa
- Upgrade to Wassa mill hydrocarbon storage area.
- At our HBB operations, the Benso workshop was upgraded, the oil storage area roof was extended to provide improved protection from the rain.

Air

As well as air quality measurements in our operational areas, we measured air quality at 18 communities near our activities and took over 450 samples throughout the year. Our monitoring shows that the dust in the air was acceptable when compared with the levels set by the Ghana EPA.

Whilst this was the case, we are sensitive to the needs of our local communities and take additional action as required; for our HBB Access Road, we increased our watering of the roads in the dry season to reduce dust effects; not only from our vehicles but also those of the other road users.

We used some 259,972 MWh of electricity during the year. There was a modest reduction at our Bogoso operations due to a reduced rate of hard rock milling. During the year, we replaced a number of old vehicles and some equipment with more energy efficient models. We used 20,100,000 litres of diesel through 2010. This produced 54,270 tonnes of CO₂, which was partially offset by the 36,000 trees that were planted as part of the rehabilitation work.



Noise and Vibration

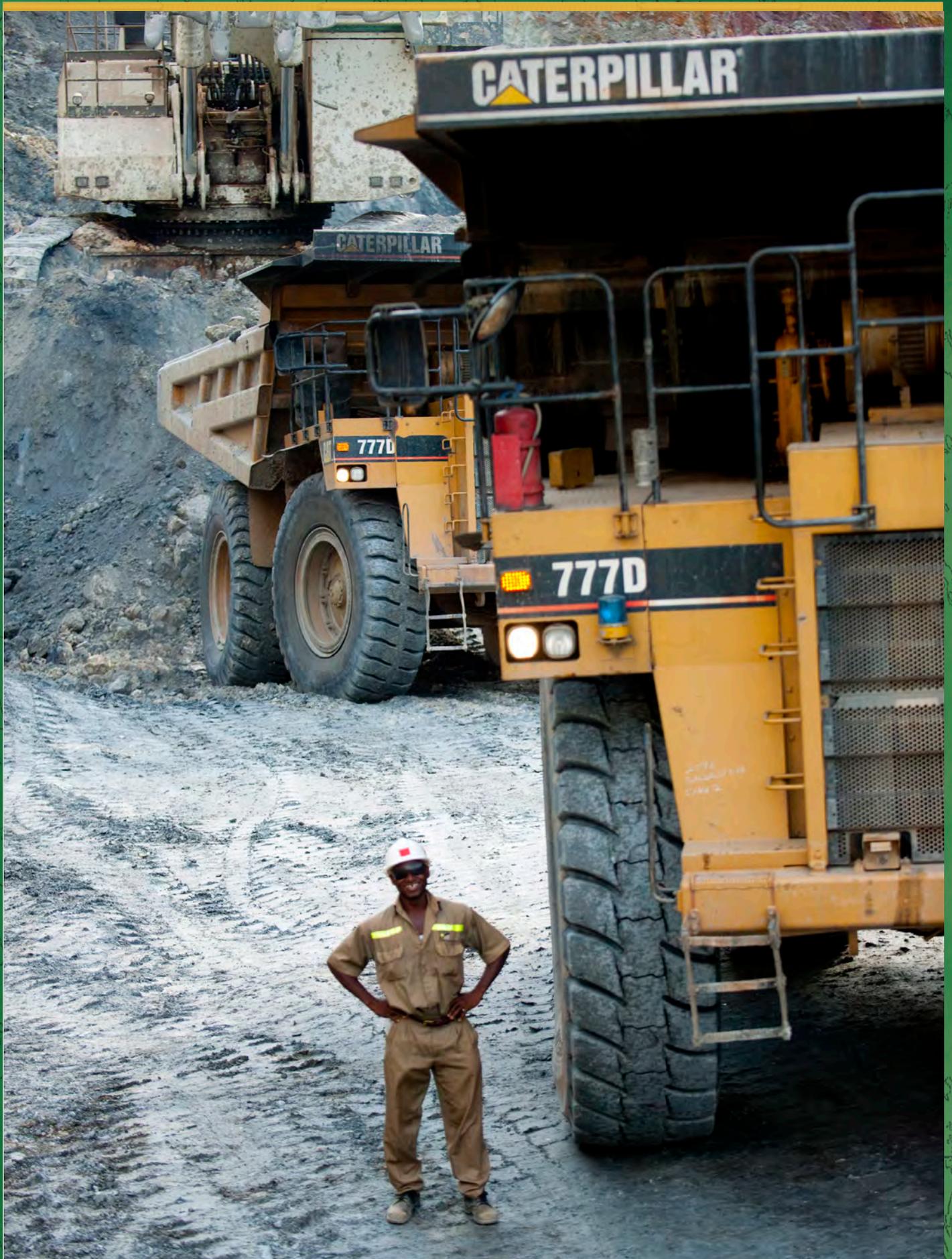
In 2010, we conducted nearly 1,050 blasts in our open pits and monitored these blasts at nearby communities. Of these, over 95% met the EPA threshold levels for noise and 100% met the EPA threshold levels for vibration.

The effects of blasting on communities are managed through blast design (e.g. size, duration, and maximum instantaneous charge, blast equipment selection), and an array of community awareness and interaction activities.

Objectives and Targets:

- Provide training for key personnel on rehabilitation and closure
- Develop closure plans with the required level of detail to comply with our corporate standard.







PARTNER OF CHOICE

Community

To build relationships founded on trust, transparency and mutual respect, we work with our local communities to minimise impacts, seek sustainable solutions to resolve issues, and maximise positive benefits.

Our teams continue to conduct proactive consultations with stakeholder communities about our plans for our business and to seek feedback. We held public meetings, open house events, sensitization forums and commenced the production of a Newsletter at our Bogoso operations, to provide wider access to information. We continued to invite Government officials to these interactions to moderate, collaborate, and maintain transparency and accountability of all parties.

During the reporting period, we received 56 community complaints, of which some 84% have been resolved and actions are underway to resolve the remainder.

Collaborative Approaches

Our Community Mine Consultative Committees (CMCCs), established in our key stakeholder areas, continued to include representation from all catchment communities and met quarterly to select development projects for the Golden Star Development Foundation and to discuss plans and receive community concerns.

At Wassa in 2010, an APEX CMCC was formed of representatives from the local CMCCs. The committee agreed to consolidate GS Development Foundation funds to enable a more strategic approach to funding community development projects.

The Crop Rate Review Committee, made up of our team, local farmers associations and opinion leaders, participated in a two day workshop on negotiation skills, investment, and use of compensation benefits. These skills will assist the committee in their annual review of crop compensation rates and in arbitration activities.

The GSR Employment Committees continued to address opportunities for employment amongst local communities. Through these committees, we continued to advertise local job opportunities.

Minimizing Effects

In order to minimise our operational effects, GSR provides a number of services to our local communities. These services include:

- Safe access to school through the provision of transport services where our operations have removed other access points
- Improvement and repair of structures identified as having been impacted by blasting.

Maximizing Positive Benefits

Beyond the projects funded by the Golden Star Development Foundation, our operations support a number of projects within their respective catchment communities valued at \$265,256.

We contributed to a number of activities of cultural importance by supporting sport-related donations to clubs and groups and inter-school sporting competitions, and community events including Farmers' Day and Ghana Independence Day Celebrations.

Community infrastructure projects ranged from smaller projects such as the supply of low tension poles, street lighting, and construction materials, to major works, such as the provision of electricity to communities in Odumase, Essuminam, Subriso and Ningo and road upgrades to the Benso-Bonsa road. We donated books and furniture to schools, built classrooms and teacher's quarters, supported community health clinics, continued our expansion of the Golden Star Oil Palm Plantation, supported vegetable and fish farming projects, and commenced the establishment of the Golden Star Skill Training and Employable Programme (GSSTEP).

Development Foundation

Community Driven - Development Focused

Golden Star is committed to support local communities with \$1 per ounce of gold produced plus 0.1% of pre-tax profit directed to the Golden Star Development Foundation. Within the GS Development Foundation umbrella, GSR, our Community Mine Consultative Committees, non-government organizations, and Government work collaboratively to undertake projects with enduring positive effect for our host communities.

In 2010, the Golden Star Development Foundation continued a wide array of projects identified by our host communities as being of importance including:

- Construction of school classroom blocks at Adamanso, Akyempim, Ningo and Subriso, and Old Subri

- Support for the upgrade and extension of the Mpohor – Deballase mechanized potable water system through the Mpohor Water Board, and provision of water supplies at Bogoso
- Construction of aqua-privy / toilet facilities at Mpohor, Adamanso School, Bogoso police station, Eshyireso, and Juabeng
- Construction of the Information and Communication Technologies Centre at Himan
- Education scholarships for 123 students throughout our catchment communities
- Construction of a community centre with a store and office at Eshyireso
- Construction of an open market centre at Beppoh
- Renovation of the Post office and Workers club house at Prestea
- Support of the Mpohor community quarry project
- Other projects including school bus stops, sheds, furniture provision, and foot path construction

These projects, covering education, health, water and sanitation, roads, and economic development projects had a total value over \$0.5M. Our stakeholder communities have worked with us to establish management committees or to support the supply of works through existing local government entities. Such approaches not only build capacity within the local communities but have the added benefit of being more sustainable in the longer term.





Golden Star Oil Palm Plantation (GSOPP)

\$1 per ounce of gold produced is directed to GSOPP to support the use of sustainable agri-business in reducing poverty and creating wealth

The Golden Star Oil Palm Plantation was established in April 2006 as a non-profit subsidiary of Golden Star Resources to promote the development of oil palm plantations amongst GSR's catchment communities using the smallholder concept in partnership with the Traditional Authorities, affected farmers, and the agro-forestry industry.

Through GSOPP, GSR continues to advance the businesses objectives of reducing poverty through employment generation and promoting wealth creation through sustainable agri-business. As of the end of 2010, GSOPP involved over 200 small-holder farmers and additionally employed some 242 part-time contract workers. In 2010, the oil palms initially planted at Bogoso in 2006 had reached maturity and commenced fruit production, so providing a small initial income to the smallholder farmers.

GSOPP Development Update	2010	To Date 2006-2010
Oil palms planted (hectares)	100	890
Number of communities in which GSOPP operates	4	9
Number of Smallholder/ Out-grower farmers	68	200
Expenditure to-date	\$750,987	\$2,841,763
Palm fruits produced (tonnes)	529	569

Re-Settlement

GSR works to minimise disturbance to communities wherever possible. Where re-settlement is necessary, projects are planned and implemented according to Ghanaian regulations and the International Finance Corporation (IFC) Performance Standard 5.

At our Bogoso/Prestea operations, we have been working with communities on the resettlement of the Anikoko Hamlets, and the Dumasi community. These projects are carried out in accordance with the Ghanaian regulations and IFC Performance Standard 5, including community consultation, and informed community participation in developing, negotiating and implementing the resettlement packages.

Anikoko Group of Hamlets

After reaching an agreement with the Anikoko community in 2009, we completed the construction of housing and facilities in accordance with the Anikoko housing project agreement that was signed by the Anikoko community, and the regulatory authorities. Landscaping was completed, water supply facilities were tested and the new infrastructure and accommodation were duly inspected. The Anikoko Resettlement Negotiations Committee along with District engineers and inspectors declared the housing project suitable for occupation, with the recommendation that the project be handed over to the community.

Disappointingly, immediately prior to the planned hand-over in 2010, a group of community members declined to accept their houses. Some of the requests that were outside of the resettlement agreement, directed toward the regulatory agencies, had not been satisfactorily answered.

Therefore, we approached the EPA for a further independent inspection and support in a third party handover to these remaining community members. Pending a response from the EPA, we prepared a care and maintenance plan for the new structures and landscaping, and completed the payment of negotiated and agreed cash compensations to entitled community members.

Dumasi

After completing a socioeconomic survey in 2009, we continued consultation with the Dumasi Oversight Committee on the assets survey and met a number of conditions, and provided legal counsel to advise and support the community in the process.

Following the asset survey, the data were made available to allow Dumasi property owners to check data accuracy, seek clarification, and identify potential disparities. The results of the asset and socioeconomic surveys will be incorporated into the Resettlement Action Plan that will be prepared upon reaching an agreement with the community on resettlement packages. Upon satisfactory completion of all tasks related to the assets survey, the Dumasi Oversight Committee was dissolved in December to allow the establishment of the Dumasi Negotiation Team to represent the community in the resettlement negotiations forum.

Nana Kobina Nkestia V, the paramount chief of the Essikado Traditional Area in the Western Region, agreed to be the moderator for the negotiations process and the resettlement negotiation meetings began in earnest.

We closed the year with preparations towards the inaugural meeting of the Dumasi Resettlement Negotiation Forum, which will involve all the parties and the moderator with the aim of reaching a negotiated agreement on resettlement with the Dumasi community.







SUPERIOR RETURNS

Anti-Corruption

We work against corruption in all its forms, including extortion and bribery by supporting the Extractive Industry Transparency Initiative (EITI).

During 2010, we publicly reported the payments we made to the Government of Ghana including: royalties, fees, permit, licenses, SSNIT, VAT, pay as you earn taxes (PAYE), import duties, withholding tax and the stabilization levy. Our total payments to the government of Ghana are shown in the tables, as is the breakdown of the transfers that should reach our stakeholder regulatory and traditional authorities.

As committed in 2009, we continued our support of the EITI by publishing our payments to the Government of Ghana and also providing a quarterly statement of the expected payments each of our regulatory and traditional authorities were expected to receive.

The commitment of our business was recognized on 19 October 2010 with the EITI Board designating Ghana as 'EITI Compliant'. EITI Chair Peter Eigen congratulated the Government, companies and civil society organizations that have supported the process in Ghana.

Table 1 Wassa Government Payments 2010 in US\$

	Q1	Q2	Q3	Q4	2010	Life to Date
PAYE	318,007	332,664	574,564	777,608	2,002,842	5,780,673
SSNIT	235,976	251,139	308,340	280,464	1,075,919	4,214,606
VAT	1,120,912	1,382,338	1,246,585	1,026,237	4,776,072	13,859,846
Import duties	53,651	562	-	1,958	56,171	835,786
Royalties	1,983,386	1,568,096	1,700,534	1,492,561	6,744,578	21,500,201
Fees, Permits, Licenses	20,673	13,284	21,559	21,397	76,913	447,981
Withholding tax	433,426	378,675	414,438	466,718	1,693,257	8,019,227
Stamp duties	49,175	-	-	-	49,175	284,575
National Stabilization Levy	557,571	-	-	477,768	1,035,339	2,162,544
Total	4,772,776	3,926,757	4,266,021	4,544,713	17,510,266	57,105,438

Table 2 Bogoso Payments for 2010 in US\$

Details	Q1	Q2	Q3	Q4	2010	Life to Date
PAYE	733,336	730,202	801,213	869,620	3,134,370	12,315,748
SSNIT	310,389	314,119	337,640	364,691	1,326,838	7,317,489
VAT	701,081	449,142	757,191	780,168	2,687,583	12,799,863
Import duties	85,819	108,405	161,211	177,695	533,130	4,737,503
Royalties	1,547,210	1,806,499	1,605,973	3,055,486	8,015,168	32,828,220
Fees, Permits, Licenses	115,102	22,897	12,043	28,146	178,188	695,067
Withholding tax	155,742	154,264	332,973	366,584	1,009,562	7,200,280
Stamp duties	33,326	68,656	0	0	101,982	684,495
Total	3,682,004	3,654,184	4,008,243	5,642,390	16,986,821	78,578,664

The payment of royalties to the Government of Ghana triggers a legislated distribution of the payments to the Mineral Development Fund (10%) and the Administrator of Stool Lands (10%). The Mineral Development Fund money is to be used for community projects and to support mining sector institutions. The 10% of the royalties paid to the Administrator of Stool Lands is divided amongst the

Administrator of Stool Lands (10%), the District Assemblies where the gold was produced (49.5%) the Traditional Council (18%) and the Stools (22.5%). The following tables provide the expected distribution of the royalties paid in 2010. The Wassa distribution to the OASL was about \$1M and the Bogoso / Prestea contribution was about \$0.59M

Table 3 Distribution of the royalty payments for Wassa (US\$)

Entity	Sub-Entity	2010 Total
Office of Administrator of Stool Lands	OASL Overhead	99,688
Traditional Authority	Wassa Fiase	79,155
	Mpohor	92,852
	Ahanta	7,867
	Total	279,562
Stool Lands	Mamponso	30,198
	Mpohor	116,065
	Manso	68,746
	Pretsea	9,834
	Total	224,843
District Assembly	Mpohor Wassa East	321,777
	Tarkwa Nsuaem	151,242
	Ahanta West	21,635
	Total	494,654

Table 4 Distribution of the royalty payments for Bogoso (US\$)

Entity	Sub-Entity	2010 Total
Office of Administrator of Stool Lands	OASL Overhead	148,088
Traditional Authority	Bogoso Traditional Authority	42,217
	Himan Traditional Authority	70,293
	Bogoso Traditional Authority (not yet defined)	3,847
	Adaamanso Traditional Authority	2,114
	Total	118,471
District Assembly	Prestea Huni -Valley District Assembly	319,983
	Amenfi East District Assembly	5,813
	Total	325,796



2011 UN Global Compact Objectives and Targets

Human Rights

- Review the general human rights standards for our supply sources and provide a report to the Sustainability Committee with recommendations.
- Work with our top 10 suppliers to provide training materials and training to their employees providing services to GSR

Labour standards

- Develop a program for anti discrimination at sites. Provide site HR and Senior Managers with training.
- Develop and implement a local hiring policy that provides stakeholder community members with the preferential opportunity to apply for work with GSR

Health and Safety

- Consolidate the LTIFR at below 0.3

Anti-corruption

- Provide detailed payment information to the EITI in Ghana in support of the anti-corruption program
- Provide quarterly information to potential royalty sharing participants of the amounts of royalties paid to government and the expected distributions.

Environmental

- Provide training for key personnel on rehabilitation and closure planning
- Develop closure plans with the required level of detail for assets requiring closure in accordance with the corporate closure standard.

GOLDEN STAR



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